

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

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): October 27, 2023

**Gyre Therapeutics, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**000-51173**  
(Commission  
File Number)

**56-2020050**  
(IRS Employer  
Identification No.)

**12730 High Bluff Drive  
Suite 250  
San Diego, CA**  
(Address of principal executive offices)

**92130**  
(Zip Code)

Registrant's telephone number, including area code: **(650) 266-8674**

**Catalyst Biosciences, Inc.  
12730 High Bluff Drive  
Suite 250  
San Diego, CA 92130**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	GYRE	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

## Introductory Note

On October 30, 2023 (the “Closing Date”), Gyre Therapeutics, Inc. (formerly known as Catalyst Biosciences, Inc.) (prior to the Closing Date, “Catalyst” and after the Closing Date, “Gyre”) consummated the previously announced business combination (the “Closing”) pursuant to that certain Business Combination Agreement, dated as of December 26, 2022 and as amended on March 29, 2023 and August 30, 2023 (the “Business Combination Agreement”), by and among Catalyst, GNI USA, Inc., a Delaware corporation (“GNI USA”), GNI Group Ltd., a company incorporated under the laws of Japan with limited liability (“GNI Group”), GNI Hong Kong Limited, a company incorporated under the laws of Hong Kong with limited liability (“GNI HK”), Shanghai Genomics, Inc., a company organized under the laws of the People’s Republic of China (“Shanghai Genomics”), the Minority Holders (as defined therein) and Continent Pharmaceuticals Inc., a Cayman Islands company limited by shares (“CPI”) (such transactions contemplated by the Business Combination Agreement, collectively, the “Contributions”). Pursuant to the terms of the Business Combination Agreement, at the Closing, Catalyst acquired an indirect controlling interest in Beijing Continent Pharmaceuticals Co., Ltd (“BC”), a company organized under the laws of the People’s Republic of China (the “PRC”).

On August 29, 2023, Catalyst held a special meeting of stockholders (the “Special Meeting”) to approve, among other things, the transactions pursuant to the Business Combination Agreement (the “Transactions”). The voting results with respect to each of the proposals voted on at the Special Meeting, among other things, were reported in the Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission (the “SEC”) on August 31, 2023, which is incorporated by reference herein. Detailed descriptions of each proposal are included in Catalyst’s Definitive Proxy Statement on Schedule 14A filed with the SEC on July 20, 2023 (the “Proxy Statement”).

In connection with the Closing, the combined company changed its name from “Catalyst Biosciences, Inc.” to “Gyre Therapeutics, Inc.” and the business conducted by the combined company became primarily the business conducted by Gyre, which is a biopharmaceutical company committed to the research, development, manufacturing and commercialization of innovative drugs for the treatment of organ fibrosis. Unless noted otherwise, all references to share and per share amounts in this Current Report on Form 8-K reflect the Reverse Stock Split (as defined below).

The material provisions of the Business Combination Agreement are described in the Proxy Statement in the section entitled “The Business Combination Agreement” beginning on page 145 thereof, which is incorporated by reference herein.

The foregoing description of the Business Combination Agreement is not complete and is qualified in its entirety by reference to the full text of the Business Combination Agreement, a copy of which is attached hereto as Exhibit 2.1 and is incorporated herein by reference.

### **Item 1.01 Entry into a Material Definitive Agreement.**

#### *Securities Purchase Agreement*

On October 27, 2023, Catalyst entered into a Securities Purchase Agreement (the “Securities Purchase Agreement”) for a private placement with GNI USA (the “Private Placement”). Pursuant to the Securities Purchase Agreement, GNI USA agreed to purchase an aggregate of 8,110,000 units (the “Units”) representing (i) 811 shares of Gyre’s Series X Convertible Preferred Stock, par value \$0.001 per share (the “Convertible Preferred Stock”) and (ii) warrants to purchase up to 811 shares of the Convertible Preferred Stock (the “Warrants”). The purchase price for each Unit was \$0.6165, for an aggregate purchase price of approximately \$5.0 million. The Private Placement closed on October 30, 2023. The references to share and per share amounts in this paragraph do not reflect the Reverse Stock Split.

The Warrants are immediately exercisable at an exercise price of \$4,915.00 per share of Convertible Preferred Stock, subject to adjustments as provided under the terms of the Warrants, and expire October 30, 2033.

The Securities Purchase Agreement provides that Gyre will register the resale of the shares of common stock, par value \$0.001 per share, of Gyre (the “Common Stock”) issuable upon conversion of the Convertible Preferred Stock into Common Stock. Gyre is required to prepare and file a registration statement with the SEC as promptly as reasonably practicable following the closing of the Private Placement, and to use its reasonable best efforts to have the registration statement declared effective as soon as practicable.

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The securities issued to GNI USA under the Securities Purchase Agreement were issued pursuant to an exemption from registration under Rule 506 of Regulation D, which is promulgated under the Securities Act of 1933 (the “Securities Act”). Gyre relied on this exemption from registration based in part on representations made by GNI USA. The sale of the securities pursuant to the Securities Purchase Agreement has not been registered under the Securities Act or any state securities laws. The securities may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. Neither this Current Report on Form 8-K, nor the exhibits attached hereto, is an offer to sell or the solicitation of an offer to buy the securities described herein.

Gyre intends to use the net proceeds from the Private Placement, including any proceeds resulting from a cash exercise of the Warrants, to support its operations and for working capital and general corporate purposes.

The Securities Purchase Agreement contains customary representations and warranties of Gyre, on the one hand, and GNI USA, on the other hand, and customary conditions to closing. The transactions pursuant to the Securities Purchase Agreement were consummated immediately following the Closing.

The foregoing descriptions of the Securities Purchase Agreement and the Warrant are not complete and are qualified in their entirety by reference to the full text of the Securities Purchase Agreement and the Warrant, copies of which are attached hereto as Exhibit 10.1 and Exhibit 4.1 and are incorporated herein by reference.

#### ***Incentive Plan***

On July 18, 2023, the board of directors of Catalyst adopted the Gyre Therapeutics, Inc. 2023 Omnibus Incentive Plan (the “2023 Omnibus Incentive Plan”), subject to approval by Catalyst’s stockholders. At the Special Meeting, Catalyst’s stockholders approved the 2023 Omnibus Incentive Plan, and on October 30, 2023, the newly constituted board of directors of Gyre (the “Board”) ratified the 2023 Omnibus Incentive Plan. The purpose of the 2023 Omnibus Incentive Plan is to enable Gyre to offer its employees, directors and other individual service providers long-term, equity-based incentives in Gyre, thereby attracting, retaining and rewarding such individuals, and strengthening the mutuality of interests between such individuals and Gyre’s stockholders.

The 2023 Omnibus Incentive Plan permits Gyre to deliver up to 17,845,496 shares of Common Stock pursuant to awards issued thereunder, after giving effect to the Reverse Stock Split. The number of shares of Common Stock reserved for issuance under the 2023 Omnibus Incentive Plan will automatically increase on the first day of each fiscal year, commencing on January 1, 2024, by the lesser of (i) 5% of the total number of outstanding shares of Common Stock on December 31<sup>st</sup> of the preceding calendar year and (ii) such smaller number of shares of Common Stock as determined by the Board.

On October 30, 2023, in consideration for services rendered in connection with the Transactions, the Board approved grants, to be made on the date on which the S-8 Registration Statement is filed, of 341,652 fully vested stock options under the 2023 Omnibus Incentive Plan to Nassim Usman, Ph.D., 68,760 to Seline Miller, 341,652 to Thomas Eastling, 34,380 to Ruoyu Chen and 34,380 to one other consultant, after giving effect to the Reverse Stock Split.

Pursuant to the director compensation policy, each non-employee member of the Board is entitled to receive an initial equity grant of 1,866 stock options under the 2023 Omnibus Incentive Plan and subject to the terms and conditions set forth in their respective Grant Notice for Nonqualified Stock Options, including annual service-based vesting over three years following the date of grant, which options were granted to all of the existing non-employee members of the Board at the Closing. All other awards under the 2023 Omnibus Incentive Plan will be granted at the discretion of the Compensation Committee of the Board (or any successor committee) or such other committee as designated by the Board to administer the 2023 Omnibus Incentive Plan.

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The foregoing description of the 2023 Omnibus Incentive Plan is not complete and is qualified in its entirety by reference to the complete text of the 2023 Omnibus Incentive Plan, a copy of which is attached hereto as Exhibit 10.2 and is incorporated herein by reference.

#### ***Indemnification Agreements***

On October 30, 2023, Gyre entered into indemnification agreements with each of its directors and executive officers. Each indemnification agreement provides for indemnification and advancements by Gyre of certain expenses and costs relating to claims, suits or proceedings arising from each individual's service to Gyre as an officer or director, as applicable, to the maximum extent permitted by applicable law.

The foregoing description of the indemnification agreements is not complete and is qualified in its entirety by reference to the complete text of the indemnification agreement, a form of which is attached hereto as Exhibit 10.3 and is incorporated herein by reference.

#### **Item 2.01 Completion of Acquisition or Disposition of Assets.**

To the extent required by Item 2.01 of Form 8-K, the disclosure set forth in the "Introductory Note" above is incorporated herein by reference.

On the Closing Date, as contemplated by the Business Combination Agreement and after giving effect to the Reverse Stock Split, (i) GNI USA contributed all of its ordinary shares in the capital of CPI to Gyre in exchange for 45,923,340 shares of Common Stock, (ii) GNI USA contributed its interest in Further Challenger International Limited, a company incorporated and existing under the laws of the British Virgin Islands with company number 1982271, to Gyre in exchange for 17,664,779 shares of Common Stock and (iii) each Minority Holder contributed 100% of the interest he or she holds in his or her respective Entity (as defined in the Business Combination Agreement) to Gyre in exchange for an aggregate of 10,463,627 shares of Common Stock. Immediately after the Contributions, Catalyst's stockholders as of immediately prior to the Contributions owned approximately 2.5% of the outstanding shares of Gyre, GNI USA owned approximately 85.3% of the outstanding shares of Gyre and the Minority Holders owned approximately 12.3% of the outstanding shares of Gyre, in each case, assuming conversion of the Convertible Preferred Stock issued in connection with the Asset Purchase Agreement, dated December 26, 2022, as amended on March 29, 2023, by and among Catalyst, GNI Group and GNI HK and the Convertible Preferred Stock issued in connection with the Private Placement and subject to certain assumptions, including, but not limited to, a valuation for Catalyst equal to \$8.5 million and a valuation for the percentage of BC acquired in the business combination equal to \$299.8 million.

Effective at 12:01 a.m. Eastern Time on October 30, 2023, Catalyst (i) increased the number of authorized shares of Common Stock from 100,000,000 shares to 400,000,000 shares (the "Authorized Share Increase"), (ii) effected a 1-for-15 reverse stock split of Common Stock (the "Reverse Stock Split") and (iii) changed its name to "Gyre Therapeutics, Inc." (the "Name Change"). On October 30, 2023, the parties completed the Contributions.

Following the completion of the Contributions, the business conducted by the registrant became primarily the business conducted by Gyre, which is a biopharmaceutical company committed to the research, development, manufacturing and commercialization of innovative drugs for organ fibrosis.

The shares of Catalyst common stock listed on The Nasdaq Capital Market, previously trading through the close of business on October 30, 2023 under the ticker symbol "CBIO," will commence trading on The Nasdaq Capital Market, on a post-Reverse Stock Split adjusted basis, under the ticker symbol "GYRE," on October 31, 2023. Gyre's Common Stock is represented by a new CUSIP number, 403783 103.

The foregoing description of the Business Combination Agreement is not complete and is qualified in its entirety by reference to the full text of the Business Combination Agreement, a copy of which is attached hereto as Exhibits 2.1 and is incorporated herein by reference.

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### **Item 3.02 Unregistered Sales of Equity Securities.**

To the extent required by Item 3.02 of Form 8-K, the information contained in Items 1.01 and 2.01 of this Current Report on Form 8-K is incorporated herein by reference.

### **Item 3.03 Material Modification to Rights of Security Holders.**

To the extent required by Item 3.03 of Form 8-K, the information contained in Item 2.01 and Item 5.03 of this Current Report on Form 8-K is incorporated herein by reference.

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

The information set forth above under “Introductory Note” and set forth in Item 2.01 is incorporated by reference herein.

The information set forth in Item 5.02 of this Current Report on Form 8-K regarding the Board and executive officers following the Transactions is incorporated by reference into this Item 5.01.

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

#### ***Departure of Directors***

On October 30, 2023, Augustine Lawlor and Andrea Hunt each notified the board of directors of Catalyst of his or her intention to resign from the Board and committees of the Board on which he or she served, effectively immediately. Neither Mr. Lawlor’s nor Ms. Hunt’s resignation was the result of any disagreements with Catalyst or the Board on any matter relating to Catalyst’s operations, policies or practices.

#### ***Appointment of Directors***

On October 30, 2023, the Board increased the authorized number of directors to be eight (8) members and appointed the following five (5) individuals to the Board: Gordon G. Carmichael, Ph.D. (as a Class I Director), Songjiang Ma (as a Class I Director), Renate Perry, Ph.D. (as a Class III Director), Charles Wu, Ph.D. (as a Class III Director) and Han Ying, Ph.D. (as a Class II Director) to the Board. Ying Luo, Ph.D. is serving as the Chairman of the Board. Class I directors hold terms expiring at Gyre’s 2025 Annual Meeting of Stockholders, Class II directors hold terms expiring at Gyre’s 2026 Annual Meeting of Stockholders and Class III directors hold terms expiring at Gyre’s 2024 Annual Meeting of Stockholders.

Other than pursuant to the Business Combination Agreement, there were no arrangements or understandings between Gyre’s newly appointed directors and any person pursuant to which they were elected. None of Gyre’s newly appointed directors has a direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Each of the newly appointed directors’ biographical information is set forth below.

**Gordon G. Carmichael, Ph.D.**(Age 75). Since 2017, Dr. Carmichael has served as a Director of the Connecticut Cell and Genome Engineering Core Facility. Dr. Carmichael has been a Professor of Genetics and Genome Sciences at the University of Connecticut Health Center in Farmington, Connecticut Health since 2003. His research focuses on the molecular signals which control the expression and function of RNA molecules. In 2018, he was elected to the Connecticut Academy of Science and Engineering. Dr. Carmichael served on National Institutes of Health review panels from 2017 to 2018, and in 2023, as a member of the R35 Review Panel. Since 2017, he has been on the Editorial Board of the journals *Biomolecules* and *Frontiers in Genetics* and was an Associate Editor of *WIREs RNA*, a scientific journal, from 2010 to 2018. He was a postdoctoral fellow in virology at the Swiss Institute for Experimental Cancer Research and at Harvard Medical School and was named as a fellow of the Jane Coffin Childs Memorial Fund for Medical Research. Dr. Carmichael was also a research fellow and assistant professor in pathology at Harvard Medical School from 1977 to 1982. He holds a B.S. in physics from Duke University, and a Ph.D. in biophysics from Harvard University. His Ph.D. research was carried out in the lab of Nobel Laureates James Watson and Walter Gilbert.

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**Songjiang Ma** (Age 68). Mr. Ma has served as an executive director of BC since January 2022 and as Honorary Chairman since April 2023. Prior to being re-designated as an executive director, Mr. Ma served as a director of BC from June 2006. Mr. Ma has over 25 years of experience in the pharmaceutical industry. Mr. Ma founded Kangdini Factory, one of the founding shareholders of BC, in June 1996, and acted as its general manager from June 1996 to March 2006, and then as the supervisor since March 2006. After the incorporation of BC in June 2002, he served as the vice president of BC from June 2002 to July 2011 and then as the general manager since July 2011. Prior to founding Kangdini Factory, Mr. Ma served as the general manager of Beijing Pan-continental Medical Limited. He also worked at the Beijing Science Institute of Electric Power Research Institute Computer College from September 1983 to December 1987, during which he was also seconded to Beijing Jinxing Computer Engineering Company from June 1985 to October 1986. He worked at Shaanxi Communication Planning and Design Institute Co., Ltd. (formerly known as Shaanxi Provincial Institute of Posts) from September 1978 to September 1980. Mr. Ma was the chairman of Beijing Dalu Automation Control System Co., Ltd., the business license of which was revoked on December 9, 1999. He confirmed that, to the best of his knowledge and belief, as of May 15, 2023, no claims have been made against him and he is not aware of any threatened or potential claims made against him and there are no outstanding claims and/or liabilities as a result of the revocation of the above company. Mr. Ma graduated from Beijing University of Posts and Telecommunication (formerly known as Beijing College of Posts and Telecommunication) in the PRC in August 1978, majoring in radio technology and short-wave communication. He further obtained his master's degree in engineering from China Electric Power Research Institute (formerly known as Electric Power Research Institute) in the PRC in September 1983.

**Renate Parry, Ph.D.** (Age 61). Since 2020, Dr. Parry has served as a consultant in oncology research and development and business strategy. She worked at Varian Medical Systems ("Varian"), a medical device company, as Senior Manager from 2008 to 2012, then as Director of Translational Medicine from 2012 to 2016, and as Senior Director from 2016 to 2019, where she was responsible for developing and implementing a novel strategy to improve cancer radiation therapy while reducing radiation-induced side effects. Prior to Varian, Dr. Parry served as an oncology scientist for Berlex Biosciences, and as a research scientist at the Institute for Diagnostic Research at Schering AG. She has developed and advanced three novel drugs for oncology and fibrosis indications, advancing these programs from conception to clinical trials. Dr. Parry has authored or co-authored over 15 publications and has 15 registered patents. She received her diploma and Ph.D. in biology from the Institute of Toxicology at the Johannes-Gutenberg-University of Mainz, Germany.

**Charles Wu, Ph.D.** (Age 63). Dr. Wu has served as a director of BC since April 2023. Dr. Wu has over 30 years of experience in the field of CMC. He joined BC as the chief technology officer in January 2020, which position he held until April 2023, and served as the general manager of BC's Cangzhou branch from January 2020 to October 2020. He was further appointed as vice president in December 2020, which position he held until April 2023. Prior to joining BC, Dr. Wu served as a vice president of the Active Pharmaceutical Ingredient (API) division of Zhejiang Huahai Pharmaceutical Co., Ltd. ("Zhejiang Huahai") from February 2019 to September 2019, as a technical consultant of Shandong Lixin Pharmaceuticals Co., Ltd. from January 2018 to February 2019, as the general manager of Teva Pharmaceutical & Chemical (Hangzhou) Co., Ltd. from November 2016 to January 2018, as the general manager of Xellia (Taizhou) Pharmaceutical Co., Ltd. from April 2014 to November 2016, as the vice president of Lianhe Chemical Technology Co., Ltd. from June 2011 to March 2013 and as the executive director in API production technology of Zhejiang Huahai from April 2010 to June 2011. Dr. Wu has also had extensive experience in R&D in the pharmaceutical industry, which includes his research experience at Wyeth Holdings Corporation, Honeywell International Inc. (formerly known as AlliedSignal Inc.), Rohm and Haas Company and the Virginia Polytechnic Institute and State University. Dr. Wu obtained his bachelor's degree in polymer chemistry from University of Science and Technology of China in the PRC in July 1983. He further obtained his doctoral degree in chemistry from University of Maryland, College Park in December 1989. He obtained his MBA certificate from Tulane University in April 2004. He obtained the qualification of professor-level senior engineer from Zhejiang Province Human Resources and Social Security Department in June 2015.

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**Han Ying, Ph.D.** (Age 58). Dr. Ying currently serves as a director of the Gene Corporation and as a director of Base Therapeutics. Dr. Ying has served as the co-founder and chief operating officer of Base Therapeutics since 2021. From 2020 to 2021, he served as the chief technology officer for Tactiva Therapeutics. From 2017 to 2019, Dr. Ying served as the scientific founding team member for T-Cure Bioscience and as chief scientific officer in the in the biomedical sector of Sanpower Group. From 1999 to 2022, Dr. Ying served as a principal investigator at the Maxine Dunitz Neurosurgical Institute, where he oversaw a clinical laboratory conducting dendritic cell vaccine trials for malignant brain tumors. From 2002 to 2007, he served as a project leader in the Cancer Research Department of Berlex Biosciences. From 2007 to 2009, Dr. Ying was at Monogram Biosciences, a personalized medicine company that developed biomarkers for a selection of patients for novel targeted drugs. In 2012, Dr. Ying co-founded Immunova, a biotech company focused on dendritic cell vaccines and antigen-specific T cells. He has consulted for several early and late-stage biotech companies in the field of cancer immunotherapy, including HRYZ, Sanpower Group and SinoBioway, and he served as the key technical expert for the international mergers and acquisitions team that completed the acquisition of Dendreon by Sanpower Group in 2017. Dr. Ying received his Ph.D. in cancer biology from Stanford University and his B.S. and M.S. in biological studies from Beijing University. He completed his post-doctoral training at the National Cancer Institute.

#### ***Committees of the Board of Directors***

##### Audit Committee

On October 30, 2023, Nassim Usman, Ph.D., Renate Parry, Ph.D. and Han Ying, Ph.D. were appointed to the Audit Committee of the Board, and Nassim Usman, Ph.D. was appointed the chair of the Audit Committee. The Board has determined that (i) each of Nassim Usman, Ph.D., Renate Parry, Ph.D. and Han Ying, Ph.D. is independent under applicable Nasdaq listing standards and Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”); (ii) Nassim Usman, Ph.D. is an “audit committee financial expert” within the meaning of the SEC regulations; and (iii) each member of the Audit Committee has the requisite financial expertise required under the applicable requirements of Nasdaq. In arriving at this determination, the Board examined each Audit Committee member’s scope of experience and the nature of their employment.

##### Compensation Committee

On October 30, 2023, Nassim Usman, Ph.D., Han Ying, Ph.D., Gordon G. Carmichael, Ph.D. and Renate Parry, Ph.D. were appointed to the Compensation Committee of the Board (the “Compensation Committee”), and Han Ying, Ph.D. was appointed the chair of the Compensation Committee. The Board has determined that each member is independent under applicable Nasdaq listing standards and is a “non-employee director” as defined in Rule 16b-3 promulgated under the Exchange Act.

##### Nominating and Corporate Governance Committee

On October 30, 2023, Ying Luo, Ph.D., Thomas Eastling and Gordon G. Carmichael were appointed to the Nominating and Corporate Governance Committee of the Board (the “Nominating Committee”), and Ying Luo, Ph.D. was appointed the chair of the Nominating Committee. The Board has determined that Gordon G. Carmichael, Ph.D. is independent, and Ying Luo, Ph.D. and Thomas Eastling are not independent under applicable Nasdaq listing standards. Gyre is relying on the exception available for “controlled companies” under which it is not required to have a nominating committee comprised entirely of independent directors within the meaning of applicable Nasdaq listing standards.

#### ***Departure of Certain Officers***

On October 30, 2023, immediately prior to and effective upon the Closing, Nassim Usman, Ph.D., Catalyst’s President and Chief Executive Officer, ceased to be an officer of Gyre but is remaining a director of Gyre. Catalyst previously entered into an offer letter with Dr. Usman, pursuant to which he became eligible to receive severance benefits upon a qualifying termination of employment.

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On October 30, 2023, immediately prior to and effective upon the Closing, Seline Miller, Catalyst's Interim Chief Financial Officer, ceased to be an officer of Gyre. Ms. Miller has agreed to provide consulting services regarding matters relating to Gyre's accounting practices and financial reporting from the Closing until March 31, 2024. Catalyst previously entered into an amended employment agreement with Ms. Miller, pursuant to which she became eligible to receive severance benefits upon a qualifying termination of employment.

#### ***Appointment of Certain Officers***

On October 30, 2023, the Board appointed Charles Wu, Ph.D. as Gyre's Chief Executive Officer, Songjiang Ma as Gyre's President, Ruoyu Chen as Gyre's Interim Chief Financial Officer and Weiguo Ye as Gyre's Chief Operating Officer, each to serve at the discretion of the Board.

Thomas Eastling, who is a current director of Gyre, and Ms. Chen are husband and wife. Except for the foregoing, none of Gyre's other newly appointed officers has any family relationships with any of Gyre's directors or executive officers. Other than the Chen Employment Agreement described below, none of Gyre's newly appointed officers has a direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Each of the newly appointed principal officers' biographical information is set forth below.

**Charles Wu, Ph.D.** Dr. Wu's biographical information is disclosed in the section above under the heading "*Appointment of Directors.*"

On October 30, 2023, Gyre entered into an employment agreement with Dr. Wu (the "Wu Employment Agreement") to serve as Gyre's Chief Executive Officer. The Wu Employment Agreement provides for Dr. Wu's at-will employment and an annual base salary of \$300,000, an annual bonus to be determined annually by the Board or the Compensation Committee, as well as his ability to participate in Gyre's employee benefit plans generally. In the event of the termination of Dr. Wu's employment by Gyre without "Cause" or by Dr. Wu for "Good Reason" (as each such term is defined in the Wu Employment Agreement), subject to Dr. Wu's execution without revocation of a release of claims against Gyre and its affiliates, Dr. Wu will be entitled to: (i) an amount equal to Dr. Wu's then-current annual base salary, paid in installments over twelve months, (ii) for up to twelve months, reimbursement of premium payments, as if Dr. Wu had remained an active employee, for any COBRA coverage that he timely elects and (iii) accelerated vesting of the portion of any outstanding equity awards held by Dr. Wu as of the termination date that were scheduled to vest during the twelve month period following Dr. Wu's termination date, had he remained employed during such time.

**Songjiang Ma.** Mr. Ma's biographical information is disclosed in the section above under the heading "*Appointment of Directors.*"

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**Ruoyu Chen** (Age 53). Ms. Chen has worked as senior vice president of finance of GNI USA since 2021. She is primarily responsible for managing the business of GNI Group in the United States. She has also served as a director of BC since 2018. Ms. Chen has over 20 years of management experience working for multinational companies in departments such as global finance, audit, internal control, taxation, administration and mergers and acquisitions. From 2014 to 2021, Ms. Chen served as the director of finance and accounting of GNI Group and directly reported to the chief financial officer of GNI Group. In this role, she led investments, financing, financial reporting, and public company disclosure, and was responsible for budget management and financial analysis. From 2012 to 2014, Ms. Chen worked as a manager of the internal audit division at Protiviti Japan. From 2007 to 2011, she worked at BDO International Japan as an auditor. From 1999 to 2003, Ms. Chen worked at Arthur Andersen Japan, where she participated in strategic consulting projects that implemented the enterprise resource planning systems at several Japanese multinational companies. From 1997 to 1999, she worked as a corporate strategy consultant for Mitsubishi UFJ Consulting and Research Japan. Ms. Chen holds a bachelor's degree from Nankai University in the PRC and a master's degree from the Graduate School of Economics at Kyoto University in Japan. She is a certified public accountant in Washington State and a CFA Level 2 candidate.

On October 30, 2023, Gyre entered into an employment agreement with Ms. Chen (the "Chen Employment Agreement"), to serve as Gyre's Interim Chief Financial Officer. The Chen Employment Agreement provides for Ms. Chen's at-will employment and an annual base salary of \$250,000, an annual bonus to be determined annually by the Board or the Compensation Committee, as well as her ability to participate in Gyre's employee benefit plans generally. In the event of the termination of Ms. Chen's employment by Gyre without "Cause" or by Ms. Chen for "Good Reason" (as each such term is defined in the Chen Employment Agreement), subject to Ms. Chen's execution without revocation of a release of claims against Gyre and its affiliates, Ms. Chen will be entitled to: (i) an amount equal to Ms. Chen's then-current annual base salary, paid in installments over twelve months, (ii) for up to twelve months, reimbursement of premium payments, as if Ms. Chen had remained an active employee, for any COBRA coverage that she timely elects and (iii) accelerated vesting of the portion of any outstanding equity awards held by Ms. Chen as of the termination date that were scheduled to vest during the twelve month period following Ms. Chen's termination date, had she remained employed during such time.

**Weiguo Ye** (Age 46). Mr. Ye has served as BC's director and president since April 2023, and is primarily responsible for the overall management and operation of BC. Mr. Ye has over 20 years of experience in the pharmaceutical industry. Prior to his current position with BC, Mr. Ye held a series of positions at BC of increasing responsibility, including as a sales director from December 2016 to September 2017, vice president from September 2017 to May 2018, executive vice president from May 2018 to April 2023 and chief operating officer from January 2021 to April 2023. Prior to joining BC, Mr. Ye had over 18 years of sales management experience. Mr. Ye served as the marketing vice president of Hubei Monyan Pharmaceuticals Co., Ltd. from March 2015 to November 2016 and as the grand area manager and then national sales director of Jiangsu Sincere Pharmaceutical Co., Ltd. from November 2011 to February 2015. He worked at Shanghai Roche Pharmaceutical Ltd. from August 1997 to November 2011, with his last position as the regional sales manager. Mr. Ye obtained his undergraduate diploma in applied pharmacy through online learning from Peking University in the PRC in July 2009. He further obtained his executive master of business administration degree (EMBA) from China Europe International Business School in the PRC in August 2021.

The above descriptions of the employment agreements for Dr. Wu and Ms. Chen are not complete and are qualified in their entirety by reference to the full text of the Wu Employment Agreement and the Chen Employment Agreement, copies of which are attached hereto as Exhibits 10.4 and 10.5 and are incorporated herein by reference.

#### **Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

##### ***Amendment to the Certificate of Incorporation***

At the Special Meeting, Catalyst's stockholders approved (i) the adoption of an amendment to the certificate of incorporation of Catalyst in connection with the Authorized Share Increase and (ii) the adoption of an amendment to the certificate of incorporation of Catalyst to effect a reverse stock split of the Common Stock with a ratio of not less than 1-for-10 and not more than 1-for-60. Following the Special Meeting, the board of directors of Catalyst approved the Reverse Stock Split with a ratio of 1-for-15.

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On October 27, 2023, prior to the Closing, Catalyst filed a certificate of amendment to Catalyst's Fourth Amended and Restated Certificate of Incorporation (the "Certificate of Amendment") with the Secretary of State of the State of Delaware to effect the Authorized Share Increase, the Reverse Stock Split and the Name Change, each with an effective time of 12:01 a.m. Eastern Time on October 30, 2023 (the "Effective Time").

As of the Effective Time, each 15 shares of Common Stock outstanding immediately prior to the Effective Time was combined and reclassified, automatically and without any action on the part of Gyre or its stockholders, into one new share of Common Stock. No fractional shares of Common Stock was issued as a result of the Reverse Stock Split. In lieu of any fractional shares to which a stockholder of record would otherwise be entitled, Gyre paid cash (without interest and subject to withholding taxes, as applicable) equal to such fraction multiplied by the average of the high and low trading prices of the Common Stock on The Nasdaq Capital Market during regular trading hours for the five trading days immediately preceding the Effective Time (as adjusted in good faith by Gyre to account for the Reverse Stock Split ratio).

The Common Stock will commence trading on a split-adjusted basis, under the ticker symbol "GYRE," at the open of trading on October 31, 2023, at which time the Common Stock will be represented by a new CUSIP number, 403783 103. The par value per share of the Common Stock will remain unchanged.

In addition, effective as of the Effective Time and as a result of the Reverse Stock Split, proportionate adjustments were made in accordance with the terms of the 2023 Omnibus Incentive Plan to the number of shares subject to outstanding equity awards, the per-share exercise or purchase price (if any) with respect to those awards, and the number of shares of Common Stock reserved for future issuance under the 2023 Omnibus Incentive Plan.

The foregoing description of the Certificate of Amendment is not complete and is subject to and qualified in its entirety by reference to the Certificate of Amendment, a copy of which is attached hereto as Exhibit 3.1 and is incorporated herein by reference.

#### ***Amendment to Certificate of Designation***

On October 30, 2023, prior to the Closing, Gyre filed an amendment to Certificate of Designation of Preferences, Rights and Limitations of Series X Convertible Preferred Stock (the "Certificate of Designation" and such amendment, the "Amendment to Certificate of Designation") with the Secretary of State of the State of Delaware in connection with the Private Placement, effective on October 30, 2023. Among other things, the Amendment to Certificate of Designation (i) increased the number of shares of preferred stock designated as Series X Convertible Preferred Stock and (ii) deleted Section 6(d)(iii) of the Certificate of Designation, which required Catalyst to pay an amount equal to the Fair Value (as defined in the Certificate of Designation) of the shares of common stock to be delivered upon conversion of the Convertible Preferred Stock in the event that Catalyst did not deliver such shares within three Trading Days (as defined in the Certificate of Designation) of the date that Catalyst was required to deliver such shares of common stock.

The foregoing description of the Amendment to Certificate of Designation is not complete and is subject to and qualified in its entirety by reference to the Amendment to Certificate of Designation, a copy of which is attached hereto as Exhibit 3.2 and is incorporated herein by reference.

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### *Amended and Restated Bylaws*

On October 30, 2023, in connection with the Transactions and with the new SEC rules regarding universal proxy cards and certain recent amendments to the Delaware General Corporation Law (the “DGCL”), the Board adopted an amendment and restatement of Gyre’s Amended and Restated Bylaws (as so amended and restated, the “Amended and Restated Bylaws”), effective as of such date, in order to, among other things:

- update the procedural and disclosure requirements for director nominations made and business proposals submitted by stockholders (other than proposals submitted pursuant to Rule 14a-8 under the Exchange Act), to require, among other things:
  - o with respect to director nominations, certain representations regarding engaging in solicitation with respect to such nomination and certain related documentation and confirmations;
  - o certain information and representations to be included in a stockholder’s notice of a director nomination or other business, including information regarding the stockholder’s ownership interests in Gyre;
  - o that a stockholder soliciting proxies from other stockholders use a proxy card color other than white; and
  - o that any stockholder submitting a director nomination or other business proposal must comply with applicable Exchange Act requirements, and to clarify Gyre’s ability to disregard such nomination or proposal in the event such stockholder does not so comply;
- reflect recent amendments to the DGCL, including to update procedures regarding stockholder meeting adjournment, notice and stockholder lists, implement an emergency bylaw, update procedures regarding electronic notice applicable to stockholder meetings and opt out of DGCL Section 116 regarding electronic delivery of documents or information;
- remove the requirement that the Board consist of between three and 13 directors and to clarify that the stockholder vote required to elect a director is the plurality of votes cast;
- update various provisions regarding meetings of the Board, committees of the Board and Gyre’s officers;
- clarify certain procedures and standards of conduct with respect to indemnification and advancement of expenses to directors and officers; and
- make various other updates, including clarifying, ministerial and conforming changes.

The foregoing description of the Amended and Restated Bylaws is not complete and is qualified in its entirety by reference to the full text of the Amended and Restated Bylaws, a copy of which is attached hereto as Exhibit 3.3 and is incorporated herein by reference.

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#### **Item 5.05 Amendments to the Registrant’s Code of Ethics, or Waiver of a Provision of the Code of Ethics.**

On October 30, 2023, in connection with the Transactions, the Board adopted a new Code of Business Conduct and Ethics (the “Code of Conduct”), effective as of such date. The Code of Conduct supersedes the existing Code of Business Conduct and Ethics, as previously adopted by the board of directors of Catalyst on October 14, 2015 (the “Original Code of Conduct”). The Code of Conduct applies to all directors, officers and employees of Gyre and is intended to enhance understanding of Gyre’s standards of ethical business practices and promote awareness of ethical issues that may be encountered in carrying out a director’s, officer’s or employee’s responsibilities. Among other things, the Code of Conduct:

- clarifies (i) standards and prohibited activities pursuant to the Foreign Corrupt Practices Act, (ii) Gyre’s internal and external disclosure obligations and recordkeeping procedures, (iii) Gyre’s policies with respect to dealings with public officials and (iv) that failure to report a known or suspected violation of the Code of Conduct is itself a violation of the Code of Conduct;
- updates Gyre’s policies with respect to equal employment opportunity and its whistleblower hotline;
- updates Gyre’s policies and procedures with respect to an amendment or waiver of the Code of Conduct;
- includes a commitment to protecting the environment; and
- makes various other updates, including clarifying, ministerial and conforming changes.

The adoption of the Code of Conduct did not result in any explicit or implicit waiver of any provision of the Original Code of Conduct. The foregoing description is qualified in its entirety by reference to the full text of the Code of Conduct, a copy of which is filed as Exhibit 14.1 to this Form 8-K and incorporated herein by reference.

#### **Item 7.01 Regulation FD Disclosure.**

On October 30, 2023, Gyre issued a press release announcing the consummation of the Transactions, which is furnished in this Current Report on Form 8-K as Exhibit 99.1.

The information in this Item 7.01 (including Exhibit 99.1) shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as expressly set forth by specific reference in such a filing.

#### ***Forward-Looking Statements***

This Current Report on Form 8-K and the exhibits attached hereto contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, express or implied statements regarding: future product development plans and projected timelines for the initiation and completion of preclinical and clinical trials and other activities; the potential for the results of ongoing preclinical or clinical trials and the efficacy of Gyre’s product candidates; future product development and regulatory strategies, including with respect to specific indications; interactions with regulatory authorities; and Gyre’s financial position. The use of words such as, but not limited to, “believe,” “expect,” “estimate,” “project,” “intend,” “future,” “potential,” “continue,” “may,” “might,” “plan,” “will,” “should,” “seek,” “anticipate,” or “could” or the negative of these terms and other similar words or expressions that are intended to identify forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on Gyre’s current beliefs, expectations and assumptions regarding the future of Gyre’s business, future plans and strategies, clinical results and other future conditions. New risks and uncertainties may emerge from time to time, and it is not possible to predict all risks and uncertainties. No representations or warranties (expressed or implied) are made about the accuracy of any such forward-looking statements.

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Gyre may not actually achieve the plans, intentions or expectations disclosed in these forward-looking statements, and investors should not place undue reliance on these forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements as a result of a number of material risks and uncertainties including but not limited to: (i) the outcome of any legal proceedings that may be instituted against the parties and others related to the Business Combination Agreement; (ii) the response of business partners and competitors to the announcement or completion of the Transactions, and/or potential difficulties in employee retention as a result of the announcement or completion of the Transactions; (iii) Gyre's listing on the Nasdaq Capital Market and operating as a public company; (iv) the adequacy of Gyre's capital to support its future operations and its ability to successfully initiate and complete clinical trials; (v) the nature, strategy and focus of Gyre; (vi) the difficulty in predicting the time and cost of development of Gyre's product candidates; (vii) Gyre's plans to research, develop and commercialize its current and future product candidates; (viii) the timing of initiation of Gyre's planned preclinical studies and clinical trials; (ix) the timing of the availability of data from Gyre's clinical trials; (x) the timing of any planned investigational new drug application or new drug application; (xi) the risk of cessation or delay of any ongoing or planned clinical trials of Gyre or its collaborators; (xii) the clinical utility, potential benefits and market acceptance of Gyre's product candidates; (xiii) Gyre's commercialization, marketing and manufacturing capabilities and strategy; (xiv) Gyre's ability to identify additional product candidates with significant commercial potential and to expand its pipeline in organ fibrosis; (xv) the risk that Gyre may not realize the intended benefits of its drug discovery platform; (xvi) developments and projections relating to Gyre's competitors and its industry; (xvii) the impact of government laws and regulations; (xviii) the impact of public health epidemics affecting countries or regions in which Gyre has operations or does business; (xix) the timing and anticipated results of Gyre's preclinical studies and clinical trials and the risk that the results of Gyre's preclinical studies and clinical trials may not be predictive of future results in connection with future studies or clinical trials and may not support further development and marketing approval; (xx) the timing and outcome of Gyre's planned interactions with regulatory authorities; (xxi) findings from investigational review boards at clinical trial sites and publication review bodies; (xxii) Gyre's ability to protect its intellectual property position; (xxiii) Gyre's estimates regarding future revenue, expenses, capital requirements and need for additional financing; (xxiv) the other risks and uncertainties described in the "Risk Factors" section of the Proxy Statement and other documents filed by Gyre from time to time with the SEC, as well as discussions of potential risks, uncertainties, and other important factors in Gyre's subsequent filings with the SEC; and (xxv) the post-closing integration of BC into Gyre. Any forward-looking statement speaks only as of the date on which it was made. None of Gyre, nor its affiliates, advisors or representatives, undertake any obligation to publicly update or revise any forward-looking statement, whether as result of new information, future events or otherwise, except as required by law.

#### **Item 9.01 Financial Statements and Exhibits.**

##### **(a) Financial Statements of Business Acquired**

The financial statements of BC and related notes as of and for the years ended December 31, 2022 and 2021 and the unaudited financial statements of BC as of September 30, 2023 and 2022 and for the periods then ended and related notes will be included in an exhibit that will be filed in an amendment to this Current Report on Form 8-K within the period specified in Item 9.01(a)(3) of Form 8-K.

##### **(b) Pro Forma Financial Information**

The unaudited pro forma condensed combined balance sheet of Catalyst and BC as of September 30, 2023 and the unaudited pro forma condensed combined statement of operations of Catalyst and BC for the nine months ended September 30, 2023 and the related notes will be included in an exhibit that will be filed in an amendment to this Current Report on Form 8-K within the period specified in Item 9.01(a)(3) of Form 8-K.

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(d) Exhibits

EXHIBIT INDEX

Exhibit Number	Description
2.1*	Business Combination Agreement, dated December 26, 2022, by and among Catalyst, GNI USA, GNI Group, GNI HK, Shanghai Genomics, the Minority Holders and CPI (incorporated by reference to Exhibit 2.2 of Catalyst's Form 8-K, filed with the SEC on <a href="#">December 27, 2022</a> ). Amendment to Business Combination Agreement, dated March 29, 2023, by and among Catalyst, GNI USA, GNI Group, GNI HK, Shanghai Genomics, the Minority Holders and CPI (incorporated by reference to Exhibit 2.1 of Catalyst's Form 8-K, filed with the SEC on <a href="#">March 30, 2023</a> ). Second Amendment to Business Combination Agreement, dated August 30, 2023, by and among Catalyst, GNI USA, GNI Group, GNI HK, Shanghai Genomics and CPI (incorporated by reference to Exhibit 2.1 of Catalyst's Form 8-K, filed with the SEC on <a href="#">August 31, 2023</a> ).
<a href="#">3.1</a>	Third Certificate of Amendment to Fourth Amended and Restated Certificate of Incorporation for the Authorized Share Increase, the Reverse Stock Split and the Name Change.
<a href="#">3.2</a>	Amendment to Certificate of Designation of Preferences, Rights and Limitations of Series X Convertible Preferred Stock.
<a href="#">3.3</a>	Amended and Restated Bylaws.
<a href="#">4.1</a>	Form of Warrant to Purchase Series X Convertible Preferred Stock.
<a href="#">10.1</a>	Securities Purchase Agreement, dated October 27, 2023, by and between Catalyst and GNI USA.
<a href="#">10.2+</a>	Gyre Therapeutics, Inc. 2023 Omnibus Incentive Plan.
<a href="#">10.3+</a>	Form of Indemnification Agreement.
<a href="#">10.4+</a>	Wu Employment Agreement.
<a href="#">10.5+</a>	Chen Employment Agreement.
<a href="#">14.1</a>	Code of Business Conduct and Ethics of Gyre Therapeutics, Inc.
<a href="#">99.1</a>	Press Release issued on October 30, 2023.
104	Cover Page Interactive Data File (formatted as Inline XBRL).
*	Exhibits and/or schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. Gyre hereby undertakes to supplementally furnish copies of any of the omitted exhibits and schedules upon request by the SEC; provided, however, that Gyre may request confidential treatment pursuant to Rule 24b-2 of the Exchange Act for any exhibits or schedules so furnished.
+	Indicates a management contract or compensatory plan.

**SIGNATURES**

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

Gyre Therapeutics, Inc.

Date: October 30, 2023

By: /s/ Charles Wu  
Name: Charles Wu, Ph.D.  
Title: Chief Executive Officer

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**THIRD CERTIFICATE OF AMENDMENT TO THE FOURTH AMENDED AND RESTATED  
CERTIFICATE OF INCORPORATION OF CATALYST BIOSCIENCES, INC.**

Catalyst Biosciences, Inc. (the “**Corporation**”), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the “**General Corporation Law**”), does hereby certify as follows:

1. The current name of the Corporation is Catalyst Biosciences, Inc., and the Corporation was originally incorporated pursuant to the General Corporation Law on March 7, 1997 under the name Targacept, Inc.

2. The Corporation’s Fourth Amended and Restated Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on April 18, 2006 (as amended from time to time, the “**Certificate of Incorporation**”).

3. The amendments to the Certificate of Incorporation set forth in this Certificate of Amendment were duly authorized and adopted in accordance with Section 242 of the General Corporation Law.

4. The Certificate of Incorporation is hereby amended by striking out Article First in its entirety and by substituting in lieu of said paragraph the following paragraph:

“**FIRST:** The name of the corporation (hereinafter called the “**corporation**”) is Gyre Therapeutics, Inc.”

5. The Certificate of Incorporation is hereby further amended by striking out the first and second paragraphs of Article Fourth in their entirety and by substituting in lieu of said paragraphs the following paragraphs:

“**FOURTH:**

1. **Authorized Stock.** The total number of shares which the corporation shall have authority to issue is Four Hundred Five Million (405,000,000), of which (1) Four Hundred Million (400,000,000) shares shall be designated as Common Stock, \$0.001 par value per share (“**Common Stock**”); and (2) Five Million (5,000,000) shares shall be designated as Preferred Stock, \$0.001 par value per share (“**Preferred Stock**”).

2. **Reverse Stock Split.** Upon the effectiveness of the Third Certificate of Amendment to the Fourth Amended and Restated Certificate of Incorporation (the “**Effective Time**”), each fifteen (15) shares of Common Stock, issued and outstanding or held by the Corporation in treasury immediately prior to the Effective Time shall be reclassified and combined into one validly issued, fully paid and nonassessable share of outstanding Common Stock or treasury share, as applicable, automatically and without any action by the holder thereof and shall represent one share of Common Stock from and after the Effective Time (such reclassification and combination of shares, the “**Reverse Stock Split**”). The par value of the Common Stock following the Reverse Stock Split shall remain at \$0.001 par value per share. No fractional shares of Common Stock shall be issued as a result of the Reverse Stock Split and, in lieu thereof, upon surrender after the Effective Time of a certificate or book entry position which formerly represented shares of Common Stock that were issued and outstanding immediately prior to the Effective Time, any person who would otherwise be entitled to a fractional share of Common Stock as a result of the Reverse Stock Split, following the Effective Time, shall be entitled to receive a cash payment (without interest and subject to applicable withholding taxes) equal to the fraction of a share of Common Stock to which such holder would otherwise be entitled multiplied by the average (as adjusted in good faith by the corporation to account for the Reverse Stock Split ratio) of the high and low trading prices of the Common Stock on The Nasdaq Capital Market during regular trading hours for the five trading days immediately preceding the Effective Time.

Each stock certificate or book entry position that, immediately prior to the Effective Time, represented shares of Common Stock that were issued and outstanding immediately prior to the Effective Time shall, from and after the Effective Time, automatically and without the necessity of presenting the same for exchange, represent that number of whole shares of Common Stock after the Effective Time into which the shares formerly represented by such certificate or book entry position have been reclassified (as well as the right to receive cash in lieu of fractional shares of Common Stock after the Effective Time); provided, however, that each person of record holding a certificate or book entry position that represented shares of Common Stock that were issued and outstanding immediately prior to the Effective Time shall receive, upon surrender of such certificate or book entry position, a new certificate or book entry position evidencing and representing the number of whole shares of Common Stock after the Effective Time into which the shares of Common Stock formerly represented by such certificate or book entry position shall have been reclassified.”

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6. This Certificate of Amendment to the Certificate of Incorporation shall be effective as of 12:01 a.m. Eastern Time on October 30, 2023.

Executed at San Diego, California, on October 27, 2023.

/s/ Nassim Usman, Ph.D.

Nassim Usman, Ph.D.

President & Chief Executive Officer

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**GYRE THERAPEUTICS, INC.**

**AMENDMENT TO  
CERTIFICATE OF DESIGNATION OF PREFERENCES,  
RIGHTS AND LIMITATIONS  
OF SERIES X CONVERTIBLE PREFERRED STOCK**

PURSUANT TO SECTION 151 OF THE  
DELAWARE GENERAL CORPORATION LAW

This AMENDMENT TO CERTIFICATE OF DESIGNATION OF PREFERENCES, RIGHTS AND LIMITATIONS OF SERIES X CONVERTIBLE PREFERRED STOCK, dated as of October 30, 2023 (this "**Amendment**"), is entered into by **GYRE THERAPEUTICS, INC.** (formerly known as Catalyst Biosciences, Inc.), a Delaware corporation (the "**Corporation**").

**RECITALS**

**WHEREAS**, on December 27, 2022, the Corporation filed that certain Certificate of Designation of Preferences, Rights and Limitations of Series X Convertible Preferred Stock (the "**Certificate of Designation**"), pursuant to which the Corporation designated the Series X Convertible Preferred Stock, par value \$0.001 per share, of the Corporation (the "**Series X Preferred Stock**");

**WHEREAS**, capitalized terms used herein without definitions have the respective meanings set forth in the Certificate of Designation;

**WHEREAS**, Section 4(a) of the Certificate of Designation provides that an amendment of the Certificate of Designation to issue further shares of Series X Preferred Stock and increase the number of authorized shares of Series X Preferred Stock may only be effected by affirmative vote of the Holders of a majority of the then outstanding shares of Series X Preferred Stock;

**WHEREAS**, on October 27, 2023, the Holders of the then outstanding shares of Series X Preferred Stock unanimously approved the amendment of the Certificate of Designation to issue further shares of Series X Preferred Stock and increase the number of authorized shares of Series X Preferred Stock, pursuant to Section 4(b) of the Certificate of Designation;

**WHEREAS**, the Corporation intends to amend the Certificate of Designation and to enter into this Amendment to effectuate the terms set forth herein.

**NOW THEREFORE**, in consideration of the mutual promises and obligations contained herein, the Corporation, intending to be legally bound, and incorporating the recitals set forth herein, hereby agrees to the foregoing recitals and as follows:

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## AMENDMENT

### 1. Amendments.

(a) The RECITALS of the Certificate of Designation are hereby amended and restated as follows:

The Corporation, in accordance with the provisions of Section 103 of the DGCL does hereby certify that, in accordance with Section 151 of the DGCL, the following resolution was duly adopted by the Board of Directors on October 27, 2023:

**WHEREAS**, on December 22, 2022, the Board of Directors previously authorized and approved, (i) the issuance of a series of preferred stock designated as “Series X Convertible Preferred Stock”, (ii) the issuance of up to 12,340 shares of Series X Convertible Preferred Stock pursuant to the terms of that certain Asset Purchase Agreement and the issuance of up to 111,078 shares of Series X Convertible Preferred Stock pursuant to the terms of the Business Combination Agreement, and (iii) the designation, number of shares, powers, preferences, rights, qualifications, limitations and restrictions thereof (in addition to any provisions set forth in the Certificate of Incorporation that are applicable to the Preferred Stock of all classes and series);

**RESOLVED**, pursuant to authority expressly set forth in the Certificate of Incorporation, (i) the issuance of up to 1,622 shares of Series X Convertible Preferred Stock pursuant to the terms of that certain Securities Purchase Agreement is hereby authorized and (ii) the designation, number of shares, powers, preferences, rights, qualifications, limitations and restrictions thereof (in addition to any provisions set forth in the Certificate of Incorporation that are applicable to the Preferred Stock of all classes and series) are hereby fixed, and the Certificate of Designation of Preferences, Rights and Limitations of Series X Convertible Preferred Stock is hereby approved as follows:

(b) The reference to “Maximum Permitted Rate” in Section 1 of the Certificate of Designation shall be deleted in its entirety.

(c) The following reference shall be added to Section 1 of the Certificate of Designation in alphabetical order:

“**Securities Purchase Agreement**” means that certain Securities Purchase Agreement, dated as of October 27, 2023, by and between the Corporation and GNI USA, Inc., a Delaware corporation.

(d) Section 2(a) of the Certificate of Designation is hereby amended and restated as follows:

a. The series of Preferred Stock designated by this Certificate of Designation shall be designated as the Corporation’s Series X Convertible Preferred Stock (the “**Series X Preferred Stock**”) and the number of shares so designated shall be 125,040 (which shall not be subject to increase except pursuant to an amendment to this Certificate of Designation duly adopted in accordance with the applicable law) and shall be designated from the 5,000,000 shares of Preferred Stock authorized to be issued under the Certificate of Incorporation. Each share of Series X Preferred Stock shall have a par value of \$0.001 per share.

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(e) Section 6(d)(iii) of the Certificate of Designation is hereby amended and restated as follows:

[Intentionally omitted].

(f) Section 6(d)(iv) of the Certificate of Designation is hereby amended and restated as follows:

iii. Compensation for Buy-In on Failure to Timely Deliver Certificates Upon Conversion. If the Corporation fails to deliver to a Holder the applicable certificate or certificates or to effect a DWAC Delivery, as applicable, by the Share Delivery Date pursuant to Section 6(d)(i) (other than a failure caused by incorrect or incomplete information provided by Holder to the Corporation), and if after such Share Delivery Date such Holder is required by its brokerage firm to purchase (in an open market transaction or otherwise), or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by such Holder of the Conversion Shares which such Holder was entitled to receive upon the conversion relating to such Share Delivery Date (a "**Buy-In**"), then the Corporation shall (A) pay in cash to such Holder (in addition to any other remedies available to or elected by such Holder) the amount by which (x) such Holder's total purchase price (including any brokerage commissions) for the shares of Common Stock so purchased exceeds (y) the product of (1) the aggregate number of shares of Common Stock that such Holder was entitled to receive from the conversion at issue multiplied by (2) the actual sale price at which the sell order giving rise to such purchase obligation was executed (including any brokerage commissions) and (B) at the option of such Holder, either reissue (if surrendered) the shares of Series X Preferred Stock equal to the number of shares of Series X Preferred Stock submitted for conversion or deliver to such Holder the number of shares of Common Stock that would have been issued if the Corporation had timely complied with its delivery requirements under Section 6(d)(i). For example, if a Holder purchases shares of Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted conversion of shares of Series X Preferred Stock with respect to which the actual sale price (including any brokerage commissions) giving rise to such purchase obligation was a total of \$10,000 under clause (A) of the immediately preceding sentence, the Corporation shall be required to pay such Holder \$1,000. The Holder shall provide the Corporation written notice, within three (3) Trading Days after the occurrence of a Buy-In, indicating the amounts payable to such Holder in respect of such Buy-In together with applicable confirmations and other evidence reasonably requested by the Corporation. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity; provided, however, that the Holder shall not be entitled to both (i) require the reissuance of the shares of Series X Preferred Stock submitted for conversion for which such conversion was not timely honored and (ii) receive the number of shares of Common Stock that would have been issued if the Corporation had timely complied with its delivery requirements under Section 6(d)(i).

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(g) Section 6(d)(vi)(3) of the Certificate of Designation is hereby amended and restated as follows.

[Intentionally omitted].

(h) Section 8 of the Certificate of Designation is hereby amended and restated as follows:

Section 8. Redemption. The shares of Series X Preferred Stock shall not be redeemable; provided, however, that the foregoing shall not limit the ability of the Corporation to purchase or otherwise deal in such shares to the extent otherwise permitted hereby and by law.

(i) Section 10(g) of the Certificate of Designation is hereby amended and restated as follows:

g. Status of Converted Series X Preferred Stock. If any shares of Series X Preferred Stock shall be converted, repurchased or otherwise be acquired by the Corporation, such shares shall resume the status of authorized but unissued shares of Preferred Stock and shall no longer be designated as Series X Preferred Stock.

2. Effect of Amendment; Counterparts. Except as specifically modified herein, the Certificate of Designation remains in full force and effect. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, with the same effect as if the signatures thereto were in the same instrument. Section 10 of the Certificate of Designation is hereby incorporated by reference.

*[Remainder of Page Intentionally Left Blank; Signature Pages Follow]*

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IN WITNESS WHEREOF, the undersigned has executed this Amendment to the Certificate of Designation this 30<sup>th</sup> day of October, 2023.

By: /s/ Charles Wu, Ph.D.

Name: Charles Wu, Ph.D.

Title: Chief Executive Officer

*[Signature Page to Amendment to Certificate of Designation]*

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**AMENDED AND RESTATED BYLAWS  
OF  
GYRE THERAPEUTICS, INC.  
(a Delaware corporation)**

**ARTICLE I  
CORPORATE OFFICES**

Section 1.1 Registered Office. The registered office of Gyre Therapeutics, Inc., a Delaware corporation (the “Corporation”), shall be fixed in the Certificate of Incorporation of the Corporation (as the same may be amended and/or restated from time to time, the “Certificate of Incorporation”).

Section 1.2 Other Offices. The Corporation may also have an office or offices, and keep the books and records of the Corporation, except as otherwise required by law, at such other place or places, either within or without the State of Delaware, as the Corporation may from time to time determine or the business of the Corporation may require.

**ARTICLE II  
MEETINGS OF STOCKHOLDERS**

Section 2.1 Annual Meeting. The annual meeting of stockholders, for the election of directors and for the transaction of such other business as may properly come before the meeting, shall be held at such place, if any, either within or without the State of Delaware, on such date, and at such time as the Board of Directors of the Corporation (the “Board of Directors” or the “Board”) shall fix. The Board of Directors may postpone, reschedule or cancel any annual meeting of stockholders previously scheduled by the Board of Directors.

Section 2.2 Special Meeting. Except as otherwise required by law, and except as otherwise provided for or fixed pursuant to the Certificate of Incorporation, including any certificate of designations relating to any series of Preferred Stock (each hereinafter referred to as a “Preferred Stock Designation”), a special meeting of the stockholders of the Corporation may be called at any time only by the Chair of the Board of Directors, the Chief Executive Officer, the President or the Board of Directors, acting pursuant to a resolution adopted by a majority of the directors then in office. The Board of Directors may postpone, reschedule or cancel any special meeting of stockholders previously scheduled by the Company. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting by or at the direction of the Board of Directors.

Section 2.3 Notice of Stockholders’ Meetings.

(a) Whenever stockholders are required or permitted to take any action at a meeting, a notice of the meeting of stockholders shall specify the place, if any, date, and time of the meeting of stockholders, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for determining the stockholders entitled to notice of the meeting) and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting. The notice shall be given not less than 10 nor more than 60 days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting, except as otherwise provided by law, the Certificate of Incorporation (including any Preferred Stock Designation) or these Bylaws. In the case of a special meeting, the purpose or purposes for which the meeting is called also shall be set forth in the notice.

(b) Except as otherwise required by law, notice may be given in writing directed to a stockholder’s mailing address as it appears on the records of the Corporation and shall be given: (i) if mailed, when notice is deposited in the U.S. mail, postage prepaid; and (ii) if delivered by courier service, the earlier of when the notice is received or left at such stockholder’s address.

(c) So long as the Corporation is subject to the Securities and Exchange Commission’s proxy rules set forth in Regulation 14A under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), notice shall be given in the manner required by such rules. To the extent permitted by such rules, notice may be given by electronic transmission directed to the stockholder’s electronic mail address, and if so given, shall be given when directed to such stockholder’s electronic mail address unless the stockholder has notified the Corporation in writing or by electronic transmission of an objection to receiving notice by electronic mail or if such notice is prohibited by Section 232(e) of the General Corporation Law of the State of Delaware (as the same exists or may hereafter be amended from time to time, the “DGCL”). If notice is given by electronic mail, such notice shall comply with the applicable provisions of Sections 232(a) and 232(d) of the DGCL.

(d) Notice may be given by other forms of electronic transmission with the consent of a stockholder in the manner permitted by Section 232(b) of the DGCL, and shall be deemed given as provided therein.

(e) An affidavit that notice has been given, executed by the Secretary, Assistant Secretary or any transfer agent or other agent of the Corporation, shall be *prima facie* evidence of the facts stated in the notice in the absence of fraud. Notice shall be deemed to have been given to all stockholders who share an address if notice is given in accordance with the "householding" rules set forth in Rule 14a-3(e) under the Exchange Act and Section 233 of the DGCL.

(f) When a meeting is adjourned to another time or place (including an adjournment taken to address a technical failure to convene or continue a meeting using remote communication), notice need not be given of the adjourned meeting if the place, if any, date and time thereof, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting are: (i) announced at the meeting at which the adjournment is taken; (ii) displayed, during the time scheduled for the meeting, on the same electronic network used to enable stockholders and proxyholders to participate in the meeting by means of remote communication; or (iii) set forth in the notice of meeting given in accordance with Section 2.3(a); provided, however, that if the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix a new record date for notice of such adjourned meeting in accordance with Section 7.6(a), and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date fixed for notice of such adjourned meeting.

#### Section 2.4 Organization.

(a) Meetings of stockholders shall be presided over by the Chair of the Board of Directors, or in his or her absence, by the Chief Executive Officer (if separate and serving as a director) or by another person designated by or in the manner provided by the Board of Directors. The Secretary, or in his or her absence, an Assistant Secretary, or in the absence of the Secretary and all Assistant Secretaries, a person whom the chair of the meeting shall appoint, shall act as secretary of the meeting and keep a record of the proceedings thereof.

(b) The date and time of the opening and the closing of the polls for each matter upon which the stockholders shall vote at a meeting of stockholders shall be announced at the meeting. The Board of Directors may adopt such rules and regulations for the conduct of any meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chair of the meeting shall have the authority to adopt and enforce such rules and regulations for the conduct of any meeting of stockholders and the safety of those in attendance as, in the judgment of the chair of the meeting, are necessary, appropriate or convenient for the conduct of the meeting. Rules and regulations for the conduct of meetings of stockholders, whether adopted by the Board of Directors or by the chair of the meeting, may include, without limitation, establishing: (i) an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies, qualified representatives (including rules around who qualifies as such) and such other persons as the chair of the meeting shall permit; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; (v) limitations on the time allotted for consideration of each agenda item and for questions and comments by participants; (vi) regulations for the opening and closing of the polls for balloting and matters which are to be voted on by ballot (if any); and (vii) procedures (if any) requiring attendees to provide the Corporation advance notice of their intent to attend the meeting. Subject to any rules and regulations adopted by the Board of Directors, the chair of the meeting may convene and, for any or no reason, from time to time, adjourn and/or recess any meeting of stockholders pursuant to Section 2.7. The chair of the meeting, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall declare that a nomination or other business was not properly brought before the meeting if the facts warrant (including if a determination is made that a nomination or other business was not made or proposed, as the case may be, in accordance with Section 2.10 of these Bylaws), and if such chair should so declare, such nomination shall be disregarded or such other business shall not be transacted.



Section 2.5 List of Stockholders. The Corporation shall prepare, no later than the 10th day before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting; provided, however, that if the record date for determining the stockholders entitled to vote is less than 10 days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the 10th day before the meeting date. Such list shall be arranged in alphabetical order and shall show the address of each stockholder and the number of shares registered in the name of each stockholder. Nothing in this Section 2.5 shall require the Corporation to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for 10 days ending on the day before the meeting date: (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of meeting; or (b) during ordinary business hours at the principal place of business of the Corporation. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. Except as otherwise required by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 2.5 or to vote in person or by proxy at any meeting of stockholders.

Section 2.6 Quorum. Except as otherwise required by law, the Certificate of Incorporation (including any Preferred Stock Designation) or these Bylaws, at any meeting of stockholders, the holders of one-third of the voting power of the stock outstanding and entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum for the transaction of business; provided, however, that where a separate vote by a class or series or classes or series is required, the holders of a majority of the voting power of the stock of such class or series or classes or series outstanding and entitled to vote on that matter, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to such matter. If a quorum is not present or represented at any meeting of stockholders, then the chair of the meeting, or the holders of a majority of the voting power of the stock present in person or represented by proxy at the meeting and entitled to vote thereon, shall have power to adjourn or recess the meeting from time to time in accordance with Section 2.7, until a quorum is present or represented. Subject to applicable law, if a quorum initially is present at any meeting of stockholders, the stockholders may continue to transact business until adjournment or recess, notwithstanding the withdrawal of enough stockholders to leave less than a quorum, but if a quorum is not present at least initially, no business other than adjournment or recess may be transacted.

Section 2.7 Adjourned or Recessed Meeting. Any annual or special meeting of stockholders, whether or not a quorum is present, may be adjourned or recessed for any or no reason from time to time by the chair of the meeting, subject to any rules and regulations adopted by the Board of Directors pursuant to Section 2.4(b). Any such meeting may be adjourned for any or no reason (and may be recessed if a quorum is not present or represented) from time to time by the holders of a majority of the voting power of the stock present in person or represented by proxy at the meeting and entitled to vote thereon. At any such adjourned or recessed meeting at which a quorum is present, any business may be transacted that might have been transacted at the meeting as originally called.

Section 2.8 Voting; Proxies.

(a) Except as otherwise required by law or the Certificate of Incorporation (including any Preferred Stock Designation), each holder of stock of the Corporation entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of such stock held of record by such holder that has voting power upon the subject matter in question.

(b) Except as otherwise required by law, the Certificate of Incorporation (including any Preferred Stock Designation), these Bylaws or any law, rule or regulation applicable to the Corporation or its securities, at each meeting of stockholders at which a quorum is present, all corporate actions to be taken by vote of the stockholders shall be authorized by the affirmative vote of the holders of at least a majority of the voting power of the stock present in person or represented by proxy and entitled to vote on the subject matter, and where a separate vote by a class or series or classes or series is required, if a quorum of such class or series or classes or series is present, such act shall be authorized by the affirmative vote of the holders of at least a majority of the voting power of the stock of such class or series or classes or series present in person or represented by proxy and entitled to vote on the subject matter. Voting at meetings of stockholders need not be by written ballot.

(c) Every stockholder entitled to vote for directors, or on any other matter, shall have the right to do so either in person or by one or more persons authorized to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A proxy may be made irrevocable regardless of whether the interest with which it is coupled is an interest in the stock itself or an interest in the Corporation generally. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary a revocation of the proxy or an executed new proxy bearing a later date.

Section 2.9 Submission of Information Regarding Director Nominees.

(a) As to each person whom a stockholder proposes to nominate for election or reelection as a director of the Corporation pursuant to Section 2.10, the stockholder must deliver to the Secretary at the principal executive offices of the Corporation the following information:

(i) a written representation and agreement, which shall be signed by the person proposed to be nominated and pursuant to which such person shall represent and agree that such person: (A) consents to being named as a nominee in a proxy statement and form of proxy relating to the meeting at which directors are to be elected and to serving as a director if elected, and currently intends to serve as a director for the full term for which such person is standing for election; (B) is not and will not become a party to any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity: (1) as to how the person, if elected as a director, will act or vote on any issue or question, except as disclosed in such representation and agreement; or (2) that could limit or interfere with the person's ability to comply, if elected as a director, with such person's fiduciary duties under applicable law; (C) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director or nominee, except as disclosed in such representation and agreement; and (D) if elected as a director, will comply with all of the Corporation's corporate governance policies and guidelines related to conflict of interest, confidentiality, stock ownership and trading policies and guidelines, and any other policies and guidelines applicable to directors (which will be provided within five business days following a request therefor);

(ii) all fully completed and signed questionnaires prepared by the Corporation (including those questionnaires required of the Corporation's directors and any other questionnaire the Corporation determines is necessary or advisable to assess whether a nominee will satisfy any qualifications or requirements imposed by the Certificate of Incorporation or these Bylaws, any law, rule, regulation or listing standard that may be applicable to the Corporation, and the Corporation's corporate governance policies and guidelines) and the background of any other person or entity on whose behalf the nomination is being made (all of the foregoing, "Questionnaires"). The Questionnaires will be provided by the Corporation within five business days following a request therefor; and

(iii) a representation that a nominee for election or re-election as a director of the Corporation pursuant to Section 2.10 will provide to the Corporation such other information as the Corporation may reasonably request, including such information reasonably necessary for the Corporation to determine whether a nominee will satisfy any qualifications or requirements imposed by the Certificate of Incorporation or these Bylaws, any law, rule, regulation or listing standard that may be applicable to the Corporation, or relevant to a determination whether such person can be considered an independent director.

(b) If a stockholder has submitted notice of an intent to nominate a candidate for election or re-election as a director pursuant to Section 2.10, all written and signed representations and agreements and all fully completed and signed Questionnaires described in Section 2.9(a) above shall be provided to the Corporation at the same time as such notice, and the additional information described in Section 2.9(a)(iii) above shall be provided to the Corporation promptly upon request by the Corporation, but in any event within five business days after such request (or by the day prior to the day of the meeting of stockholders, if earlier). All information provided pursuant to this Section 2.9 shall be deemed part of the stockholder's notice submitted pursuant to Section 2.10.

(c) Notwithstanding the foregoing, if any information or communication submitted pursuant to this Section 2.9 is inaccurate or incomplete in any material respect (as determined by the Board of Directors (or any authorized committee thereof)) such information shall be deemed not to have been provided in accordance with this Section 2.9. Upon written request of the Secretary, the stockholder giving notice of an intent to nominate a candidate for election shall provide, within five business days after delivery of such request (or such longer period as may be specified in such request), (i) written verification, reasonably satisfactory to the Corporation, to demonstrate the accuracy of any information submitted and (ii) a written affirmation of any information submitted as of an earlier date. If such stockholder fails to provide such written verification or affirmation within such time period, the information as to which written verification or affirmation was requested may be deemed not to have been provided in accordance with this Section 2.9.

Section 2.10 Notice of Stockholder Business and Nominations.

(a) Annual Meeting.

(i) Nominations of persons for election to the Board of Directors and the proposal of business other than nominations to be considered by the stockholders may be made at an annual meeting of stockholders only: (A) pursuant to the Corporation's notice of meeting (or any supplement thereto); (B) by or at the direction of the Board of Directors (or any authorized committee thereof); or (C) by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 2.10(a) is delivered to the Secretary, who is entitled to vote at the meeting and who complies with the notice procedures set forth in this Section 2.10(a). For the avoidance of doubt, the foregoing clause (C) shall be the exclusive means for a stockholder to make nominations or propose other business at an annual meeting of stockholders (other than a proposal included in the Corporation's proxy statement pursuant to and in compliance with Rule 14a-8 under the Exchange Act).

(ii) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (C) of the foregoing paragraph, the stockholder must have given timely notice thereof in writing to the Secretary and, in the case of business other than nominations, such business must be a proper subject for stockholder action. To be timely, a stockholder's notice must be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business (as defined in Section 2.10(c)(iii) below) on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, or if no annual meeting was held or deemed to have been held in the preceding year, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the date on which public announcement (as defined in Section 2.10(c)(iii) below) of the date of such meeting is first made by the Corporation. In no event shall an adjournment or recess of an annual meeting, or a postponement of an annual meeting for which notice of the meeting has already been given to stockholders or a public announcement of the meeting date has already been made, commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. A stockholder's notice given in accordance with this Section 2.10 must contain only the names of the nominees for whom such stockholder (or beneficial owner, if any) intends to solicit proxies, and a stockholder shall not be entitled to make additional or substitute nominations following the expiration of the time periods set forth in this Section 2.10(a); provided that, in the event a stockholder's notice includes one or more substitute nominees, such stockholder must provide timely notice of such substitute nominee(s) in accordance with the provisions of Section 2.9 and this Section 2.10 (including, without limitation, satisfaction of all applicable informational requirements set forth therein). For the avoidance of doubt, the number of nominees a stockholder may nominate for election at the annual meeting (or in the case of a stockholder giving the notice on behalf of a beneficial owner, the number of nominees a stockholder may nominate for election at the annual meeting on behalf of the beneficial owner) shall not exceed the number of directors to be elected at such annual meeting. For purposes of this Section 2.10, the 2023 annual meeting of stockholders shall be deemed to have been held on May 30, 2023. Such stockholder's notice shall set forth:

(A) as to each person whom the stockholder proposes to nominate for election or re-election as a director:

(1) a written statement, not to exceed 500 words, in support of such person;

(2) all information relating to such person that is required to be disclosed in solicitations of proxies for elections of directors in an election contest, or is otherwise required, in each case pursuant to and in accordance with Regulation 14A under the Exchange Act; and

(3) the information required to be submitted regarding nominees pursuant to Section 2.9 above, including, within the time period specified in Section 2.9(c) above, all fully completed and signed Questionnaires described in Section 2.9(a)(ii) above;

(B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the Bylaws of the Corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting and any substantial interest (within the meaning of Item 5 of Schedule 14A under the Exchange Act) in such business of such stockholder and the beneficial owner (within the meaning of Section 13(d) of the Exchange Act), if any, on whose behalf the proposal is made, and if such stockholder or beneficial owner is an entity, any related person (as defined below);

(C) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination is made or the other business is proposed:

(1) the name and address of such stockholder, as they appear on the Corporation's books, and the name and address of such beneficial owner;

(2) the class or series and number of shares of stock of the Corporation which are owned of record by such stockholder and such beneficial owner as of the date of the notice, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of the class or series and number of shares of stock of the Corporation owned of record by the stockholder and such beneficial owner as of the record date for the meeting; and

(3) a representation that the stockholder (or a qualified representative of the stockholder) intends to appear at the meeting to make such nomination or propose such business; and

(D) as to the stockholder giving the notice or, if the notice is given on behalf of a beneficial owner on whose behalf the nomination is made or the other business is proposed, as to such beneficial owner, and if such stockholder or beneficial owner is an entity, as to each individual who is a director, executive officer, general partner or managing member of such entity or of any other entity that has or shares control of such entity (any such individual or entity, a "related person"):

(1) the class or series and number of shares of stock of the Corporation which are beneficially owned (as defined in Section 2.10(c)(iii) below) by such stockholder or beneficial owner and by any related person as of the date of the notice, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of the class or series and number of shares of stock of the Corporation beneficially owned by such stockholder or beneficial owner and by any related person as of the record date for the meeting;

(2) a description (which description shall include, in addition to all other information described in this clause (2), information identifying all parties thereto) of (x) any plans or proposals which such stockholder, beneficial owner, if any, or related person may have with respect to securities of the Corporation that would be required to be disclosed pursuant to Item 4 of Exchange Act Schedule 13D and (y) any agreement, arrangement or understanding with respect to the nomination or other business between or among such stockholder, beneficial owner, if any, or related person and any other person, including, without limitation, any agreements that would be required to be disclosed pursuant to Item 5 or Item 6 of Exchange Act Schedule 13D (in the case of either clause (x) or (y), regardless of whether the requirement to file a Schedule 13D is applicable), and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of any such plans or proposals with respect to securities of the Corporation or any such agreement, arrangement or understanding in effect as of the record date for the meeting;

(3) a description (which description shall include, in addition to all other information described in this clause (3), information identifying all parties thereto) of any agreement, arrangement or understanding (including, without limitation, any option, warrant, forward contract, swap, contract of sale or other derivative or similar agreement or short positions, profit interests, hedging or pledging transactions, voting rights, dividend rights and/or borrowed or loaned shares), whether the instrument or agreement is to be settled with shares or with cash based on the notional amount or value of outstanding shares of stock, that has been entered into as of the date of the stockholder's notice by, or on behalf of, such stockholder, beneficial owner, if any, or related person, the effect or intent of which is to mitigate loss, manage risk or benefit from changes in the share price of any class or series of the Corporation's stock or the share price of any class or series of the capital stock of any principal competitor of the Corporation (as defined for the purposes of Section 8 of the Clayton Antitrust Act of 1914) or maintain, increase or decrease the voting power of the stockholder, beneficial owner, if any, or related person with respect to securities of the Corporation or of any principal competitor of the Corporation, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of any such agreement, arrangement or understanding in effect as of the record date for the meeting;

(4) any equity interests in any principal competitor of the Corporation (as defined for the purposes of Section 8 of the Clayton Antitrust Act of 1914) held by or on behalf of such stockholder or beneficial owner, if any, and any related person as of the date of the notice, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of any such equity interests held as of the record date for the meeting;

(5) any performance-related fees (other than an asset-based fee) that such stockholder, beneficial owner, if any, or related person is directly or indirectly entitled to based on any increase or decrease in the value of shares of the Corporation or based on any agreement, arrangement or understanding under clause (a)(ii)(D)(3) of this Section 2.10, and a representation that the stockholder will notify the Corporation in writing within five business days after the record date for such meeting of any performance-related fees in effect as of the record date for the meeting;

(6) a representation as to whether the stockholder, beneficial owner, if any, related person or any other participant (as defined in Item 4 of Schedule 14A under the Exchange Act) will engage in a solicitation with respect to such nomination or proposal and, if so, whether such solicitation will be conducted as an exempt solicitation under Rule 14a-2(b) of the Exchange Act, the name of each participant in such solicitation and the amount of the cost of solicitation that has been and will be borne, directly or indirectly, by each participant in such solicitation and (x) in the case of a proposal of business other than nominations, whether such person or group intends to deliver, through means satisfying each of the conditions that would be applicable to the Corporation under either Exchange Act Rule 14a-16(a) or Exchange Act Rule 14a-16(n), a proxy statement and form of proxy to holders of at least the percentage of the Corporation's voting shares required under applicable law to carry the proposal, (y) in the case of any solicitation that is subject to Rule 14a-19 of the Exchange Act, confirming that such person or group will deliver, through means satisfying each of the conditions that would be applicable to the Corporation under either Exchange Act Rule 14a-16(a) or Exchange Act Rule 14a-16(n), a proxy statement and form of proxy to holders of at least 67% of the voting power of the Corporation's stock entitled to vote generally in the election of directors, and/or (z) whether such person or group intends to otherwise solicit proxies from holders of the Corporation's stock in support of such proposal or nomination (for purposes of this clause (6), the term "holders" shall include, in addition to stockholders of record, any beneficial owners pursuant to Rule 14b-1 and Rule 14b-2 of the Exchange Act); and

(7) a representation that promptly after soliciting the holders of the Corporation's stock referred to in the representation required under clause (a)(ii)(D)(6) of this Section 2.10, and in any event no later than the 10th day before such meeting of stockholders, such stockholder or beneficial owner will provide the Corporation with documents, which may take the form of a certified statement and documentation from a proxy solicitor, specifically demonstrating that the necessary steps have been taken to deliver a proxy statement and form of proxy to holders of such percentage of the Corporation's stock.

(iii) Notwithstanding anything in this Section 2.10(a) to the contrary, if any information or communication submitted pursuant to this Section 2.10 is inaccurate or incomplete in any material respect (as determined by the Board of Directors (or any authorized committee thereof)) such information shall be deemed not to have been provided in accordance with this Section 2.10. Upon written request of the Secretary, the stockholder giving notice of an intent to nominate a candidate for election or propose other business shall provide, within five business days after delivery of such request (or such longer period as may be specified in such request), (i) written verification, reasonably satisfactory to the Corporation, to demonstrate the accuracy of any information submitted and (ii) a written affirmation of any information submitted as of an earlier date. If such stockholder fails to provide such written verification or affirmation within such period, the information as to which written verification or affirmation was requested may be deemed not to have been provided in accordance with this Section 2.10. The obligation to update and supplement as set forth in Section 2.9, this Section 2.10 or any other section of these Bylaws shall not limit the Corporation's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or under any other provision of these Bylaws or enable or be deemed to permit a stockholder who has previously submitted notice hereunder or under any other provision of these Bylaws to amend or update any nomination or other business proposal or to submit any new nomination or other business proposal, including by changing or adding nominees, matters, business and or resolutions proposed to be brought before a meeting of stockholders.

(iv) Notwithstanding anything in Section 2.10(a)(ii) above or Section 2.10(b) below to the contrary, if the record date for determining the stockholders entitled to vote at any meeting of stockholders is different from the record date for determining the stockholders entitled to notice of the meeting, a stockholder's notice required by this Section 2.10 shall set forth a representation that the stockholder will notify the Corporation in writing within five business days after the record date for determining the stockholders entitled to vote at the meeting, or by the opening of business on the date of the meeting (whichever is earlier), of the information required under this Section 2.10(a), and such information when provided to the Corporation shall be current as of the record date for determining the stockholders entitled to vote at the meeting.

(v) This Section 2.10(a) shall not apply to a proposal proposed to be made by a stockholder if the stockholder has notified the Corporation of his or her intention to present the proposal at an annual or special meeting only pursuant to and in compliance with Rule 14a-8 under the Exchange Act and such proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such meeting.

(vi) Notwithstanding anything in this Section 2.10(a) to the contrary, in the event that the number of directors to be elected to the Board of Directors at an annual meeting is increased and there is no public announcement by the Corporation naming all of the nominees proposed by the Board of Directors to be elected at such meeting or specifying the size of the increased Board of Directors made by the Corporation at least 10 days prior to the last day a stockholder may deliver a notice in accordance with Section 2.10(a)(ii) above, a stockholder's notice required by this Section 2.10(a) shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the Corporation.

(b) Special Meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting: (i) by or at the direction of the Board of Directors (or any authorized committee thereof); or (ii) provided that the Board of Directors has determined that one or more directors are to be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 2.10(b) is delivered to the Secretary, who is entitled to vote at the meeting and upon such election and who delivers notice thereof in writing setting forth the information required by Section 2.10(a) above and provides the additional information required by Section 2.9 above. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the notice required by this Section 2.10(b) shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the 120th day prior to such special meeting and not later than the close of business on the later of the 90th day prior to such special meeting or the 10th day following the date on which public announcement of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting is first made by the Corporation. A stockholder's notice given in accordance with this Section 2.10(b) must contain only the names of the nominees for whom such stockholder (or beneficial owner, if any) intends to solicit proxies, and a stockholder shall not be entitled to make additional or substitute nominations following the expiration of the time periods set forth in this Section 2.10(b); provided that, in the event a stockholder's notice includes one or more substitute nominees, such stockholder must provide timely notice of such substitute nominee(s) in accordance with the provisions of this Section 2.10(b) (including, without limitation, satisfaction of all applicable informational requirements set forth in Section 2.9 and Section 2.10(a) above). For the avoidance of doubt, the number of nominees a stockholder may nominate for election at the special meeting (or in the case of a stockholder giving the notice on behalf of a beneficial owner, the number of nominees a stockholder may nominate for election at the special meeting on behalf of such beneficial owner) shall not exceed the number of directors to be elected at such special meeting. In no event shall an adjournment, recess or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(c) General.

(i) Except as otherwise required by law, only such persons who are nominated in accordance with the procedures set forth in this Section 2.10 shall be eligible to be elected at any meeting of stockholders of the Corporation to serve as directors and only such other business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 2.10. Notwithstanding any other provisions of these Bylaws, a stockholder (and any beneficial owner on whose behalf a nomination is made or other business is proposed, and if such stockholder or beneficial owner is an entity, any related person), shall also comply with all applicable requirements of the Exchange Act and the rules and regulations promulgated thereunder with respect to the matters set forth in this Section 2.10; provided, however, that any references in these Bylaws to the Exchange Act or the rules and regulations promulgated thereunder are not intended to and shall not limit any requirements applicable to nominations or proposals as to any other business to be considered pursuant to this Section 2.10. The Chair of the Board of Directors, the chair of the meeting or any other person designated by the Board of Directors shall determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Section 2.10 (including whether a stockholder or beneficial owner provided all information and complied with all representations required under Section 2.9 or this Section 2.10 or complied with the requirements of Rule 14a-19 under the Exchange Act). If any proposed nomination or other business is not in compliance with this Section 2.10, including due to a failure to comply with the requirements of Rule 14a-19 under the Exchange Act, then except as otherwise required by law, the chair of the meeting shall declare that such nomination shall be disregarded or that such other business shall not be transacted, notwithstanding that votes and proxies in respect of any such nomination or other business may have been received by the Corporation. In furtherance of and not by way of limitation of the foregoing provisions of this Section 2.10, unless otherwise required by law, or otherwise determined by the Chair of the Board of Directors, the chair of the meeting or any other person designated by the Board of Directors, (A) if the stockholder does not provide the information required under Section 2.9 or this Section 2.10 to the Corporation within the time frames specified herein or (B) if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or other business, any such nomination shall be disregarded or any such other business shall not be transacted, notwithstanding that votes and proxies in respect of any such nomination or other business may have been received by the Corporation.

(ii) To be considered a qualified representative of a stockholder for purposes of these Bylaws, a person must be a duly authorized officer, manager or partner of such stockholder or authorized by a writing executed by such stockholder (or a reliable reproduction of the writing) delivered to the Corporation prior to the making of such nomination or proposal at such meeting (and in any event not fewer than five business days before the meeting) stating that such person is authorized to act for such stockholder as proxy at the meeting of stockholders.

(iii) For purposes of this Section 2.10, the “close of business” shall mean 6:00 p.m. local time at the principal executive offices of the Corporation on any calendar day, whether or not the day is a business day, and a “public announcement” shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or a comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act. For purposes of clause (a)(ii)(D)(1) of this Section 2.10, shares shall be treated as “beneficially owned” by a person if the person beneficially owns such shares, directly or indirectly, for purposes of Section 13(d) of the Exchange Act and Regulations 13D and 13G thereunder or has or shares pursuant to any agreement, arrangement or understanding (whether or not in writing): (A) the right to acquire such shares (whether such right is exercisable immediately or only after the passage of time or the fulfillment of a condition or both); (B) the right to vote such shares, alone or in concert with others; provided, however, that a person shall not be deemed to beneficially own such shares if the right to vote such shares arises solely from a revocable proxy or consent given to such person in response to a public proxy or consent solicitation made pursuant to and in accordance with applicable rules and regulations promulgated under the Exchange Act; and/or (C) investment power with respect to such shares, including the power to dispose of, or to direct the disposition of, such shares.

(iv) Nothing in this Section 2.10 shall be deemed to affect any rights (A) of stockholders to request inclusion of proposals in the Corporation’s proxy statement pursuant to Rule 14a-8 promulgated under the Exchange Act or (B) of the holders of any series of Preferred Stock to elect directors pursuant to any applicable provisions of the Certificate of Incorporation (including any Preferred Stock Designation).

(v) Any stockholder directly or indirectly soliciting proxies from other stockholders must use a proxy card color other than white, which shall be reserved for the exclusive use for solicitation by the Board of Directors.

Section 2.11 No Action by Written Consent. Except as otherwise provided for or fixed pursuant to the Certificate of Incorporation (including any Preferred Stock Designation), no action that is required or permitted to be taken by the stockholders of the Corporation may be effected by consent of stockholders in lieu of a meeting of stockholders.

Section 2.12 Inspectors of Election. Before any meeting of stockholders, the Corporation may, and shall if required by law, appoint one or more inspectors of election to act at the meeting and make a written report thereof. Inspectors may be employees of the Corporation. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the chair of the meeting may, and shall if required by law, appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. Inspectors need not be stockholders. No director or nominee for the office of director at an election shall be appointed as an inspector at such election. Such inspectors shall:

- (a) determine the number of shares outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, and the validity of proxies and ballots;
- (b) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors;
- (c) count and tabulate all votes and ballots; and



- (d) certify their determination of the number of shares represented at the meeting, and their count of all votes and ballots.

Section 2.13 Meetings by Remote Communications. The Board of Directors may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication in accordance with Section 211(a)(2) of the DGCL. If authorized by the Board of Directors in its sole discretion, and subject to such guidelines and procedures as the Board of Directors may adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication: (a) participate in a meeting of stockholders; and (b) be deemed present in person and vote at a meeting of stockholders whether such meeting is to be held at a designated place or solely by means of remote communication, provided that: (i) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder; (ii) the Corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings; and (iii) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.

Section 2.14 Delivery to the Corporation. Whenever this Article II requires one or more persons (including a record or beneficial owner of stock) to deliver a document or information (other than a document authorizing another person to act for a stockholder by proxy at a meeting of stockholders pursuant to Section 212 of the DGCL) to the Corporation or any officer, employee or agent thereof (including any notice, request, questionnaire, revocation, representation or other document or agreement), the Corporation shall not be required to accept delivery of such document or information unless the document or information is in writing exclusively (and not in an electronic transmission) and delivered exclusively by hand (including, without limitation, overnight courier service) or by certified or registered mail, return receipt requested. For the avoidance of doubt, the Corporation expressly opts out of Section 116 of the DGCL with respect to the delivery of information and documents (other than a document authorizing another person to act for a stockholder by proxy at a meeting of stockholders pursuant to Section 212 of the DGCL) to the Corporation required by this Article II.

### ARTICLE III DIRECTORS

Section 3.1 Powers. Except as otherwise required by the DGCL or as provided in the Certificate of Incorporation (including any Preferred Stock Designation), the business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authorities these Bylaws expressly confer upon it, the Board of Directors may exercise all such powers of the Corporation and do all such lawful acts and things as are not by law, the Certificate of Incorporation (including any Preferred Stock Designation) or these Bylaws required to be exercised or done by the stockholders.

Section 3.2 Number, Term of Office and Election. Except as otherwise provided for or fixed pursuant to the Certificate of Incorporation (including any Preferred Stock Designation), the Board of Directors shall consist of such number of directors as shall be determined from time to time solely by resolution of a majority of the directors then in office. The directors shall hold office in the manner provided in the Certificate of Incorporation. At any meeting of stockholders at which directors are to be elected, directors shall be elected by a plurality of the votes cast. Directors need not be stockholders unless so required by the Certificate of Incorporation (including any Preferred Stock Designation) or these Bylaws, wherein other qualifications for directors may be prescribed.

Section 3.3 Vacancies and Newly Created Directorships. Subject to the rights of the holders of any outstanding series of Preferred Stock, and unless otherwise required by law, newly created directorships resulting from any increase in the authorized number of directors and any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall be filled solely by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum, or by the sole remaining director, and any director so chosen shall hold office until the next election of the class for which such director shall have been chosen and until his or her successor shall have been duly elected and qualified. No decrease in the authorized number of directors shall shorten the term of any incumbent director.

Section 3.4 Resignations and Removal.

(a) Any director may resign at any time upon notice given in writing or by electronic transmission to the Board of Directors, the Chair of the Board of Directors or the Secretary. Such resignation shall take effect upon delivery, unless the resignation specifies a later effective date or time or an effective date or time determined upon the happening of an event or events. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

(b) Subject to the rights of the holders of any series of Preferred Stock then outstanding as provided for or fixed pursuant to the Certificate of Incorporation (including any Preferred Stock Designation) and except as otherwise provided in the Certificate of Incorporation or required by law, any director, or all of the directors, may be removed from the Board with or without cause, but only by the affirmative vote of the holders of at least 66 2/3% of the aggregate voting power of the then-outstanding shares of capital stock of the Corporation entitled to vote in the election of directors, voting together as a single class.

Section 3.5 Regular Meetings. Regular meetings of the Board of Directors shall be held at such place or places, within or without the State of Delaware, on such date or dates and at such time or times, as shall have been established by the Board of Directors and publicized among all directors. A notice of each regular meeting shall not be required.

Section 3.6 Special Meetings. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chair of the Board of Directors, the Chief Executive Officer (if separate and serving as a director), the President (if serving as a director) or a majority of the directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix the place, within or without the State of Delaware, date and time of such meetings. Notice of each such meeting shall be given to each director, if by mail, addressed to such director at his or her residence or usual place of business, at least five days before the day on which such meeting is to be held, or shall be sent to such director by electronic transmission, or be delivered personally or by telephone, in each case at least 24 hours prior to the time set for such meeting. A notice of special meeting need not state the purpose of such meeting, and, unless indicated in the notice thereof, any and all business may be transacted at a special meeting.

Section 3.7 Remote Participation in Meetings. Members of the Board of Directors, or of any committee thereof, may participate in a meeting of such Board of Directors or committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting.

Section 3.8 Quorum and Voting. Except as otherwise required by law, the Certificate of Incorporation or these Bylaws, a majority of the total number of directors then authorized shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, and the vote of a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the Board of Directors. The chair of the meeting or a majority of the directors present may adjourn the meeting to another time and place whether or not a quorum is present. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 3.9 Board of Directors Action by Written Consent Without a Meeting. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or any committee thereof, may be taken without a meeting, provided that all members of the Board of Directors or committee, as the case may be, consent in writing or by electronic transmission to such action. After an action is taken, the consent or consents relating thereto shall be filed with the minutes or proceedings of the Board of Directors or committee in the same paper or electronic form as the minutes are maintained. Any person (whether or not then a director) may provide, whether through instruction to an agent or otherwise, that a consent to action shall be effective at a future time (including a time determined upon the happening of an event), no later than 60 days after such instruction is given or such provision is made and such consent shall be deemed to have been given at such effective time so long as such person is then a director and did not revoke the consent prior to such time. Any such consent shall be revocable prior to its becoming effective.

Section 3.10 Chair of the Board. The Chair of the Board shall preside at meetings of stockholders in accordance with Section 2.4(a) above and at meetings of directors and shall perform such other duties as the Board of Directors may from time to time determine. If the Chair of the Board is not present at a meeting of the Board of Directors, the Chief Executive Officer (if separate and serving as a director) or another director chosen by or in the manner provided by the Board of Directors shall preside.

Section 3.11 Rules and Regulations. The Board of Directors may adopt such rules and regulations not inconsistent with the provisions of law, the Certificate of Incorporation or these Bylaws for the conduct of its meetings and management of the affairs of the Corporation as the Board of Directors shall deem proper.

Section 3.12 Fees and Compensation of Directors. Unless otherwise restricted by the Certificate of Incorporation, directors may receive such compensation, if any, for their services on the Board of Directors and its committees, and such reimbursement of expenses, as may be fixed or determined by resolution of the Board of Directors.

Section 3.13 Emergency Bylaws. This Section 3.13 shall be operative during any emergency condition as contemplated by Section 110 of the DGCL (an "Emergency"), notwithstanding any different or conflicting provisions in these Bylaws, the Certificate of Incorporation or the DGCL. In the event of any Emergency, or other similar emergency condition, the director or directors in attendance at a meeting of the Board of Directors or a standing committee thereof shall constitute a quorum. Such director or directors in attendance may further take action to appoint one or more of themselves or other directors to membership on any standing or temporary committees of the Board of Directors as they shall deem necessary and appropriate. Except as the Board of Directors may otherwise determine, during any Emergency, the Corporation and its directors and officers, may exercise any authority and take any action or measure contemplated by Section 110 of the DGCL.

#### **ARTICLE IV COMMITTEES**

Section 4.1 Committees of the Board of Directors. The Board of Directors may designate one or more committees, each such committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee to replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent permitted by law and provided in the resolution of the Board of Directors establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (a) approving or adopting, or recommending to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval; or (b) adopting, amending or repealing any bylaw of the Corporation. All committees of the Board of Directors shall keep minutes of their meetings and shall report their proceedings to the Board of Directors when requested or required by the Board of Directors.

Section 4.2 Meetings and Action of Committees. Unless the Board of Directors provides otherwise by resolution, any committee of the Board of Directors may adopt, alter and repeal such rules and regulations not inconsistent with the provisions of law, the Certificate of Incorporation or these Bylaws for the conduct of its meetings as such committee may deem proper. A majority of the directors then serving on a committee shall constitute a quorum for the transaction of business by the committee except as otherwise required by law, the Certificate of Incorporation or these Bylaws, and except as otherwise provided in a resolution of the Board of Directors; provided, however, that in no case shall a quorum be less than one-third of the directors then serving on the committee. Unless the Certificate of Incorporation, these Bylaws or a resolution of the Board of Directors requires a greater number, the vote of a majority of the members of a committee present at a meeting at which a quorum is present shall be the act of the committee.

## ARTICLE V OFFICERS

Section 5.1 Officers. The officers of the Corporation shall include a Chief Executive Officer, President, Chief Financial Officer and a Secretary, who shall be elected by the Board of Directors. The Corporation may have such other officers as the Board of Directors or the Chief Executive Officer or another authorized officer may determine and appoint from time to time. Officers shall have such authority, functions or duties as set forth in these Bylaws or as determined by the Board of Directors or the Chief Executive Officer or another authorized officer. Each officer shall hold office until such person's successor shall have been duly elected and qualified, or until such person's earlier death, disqualification, resignation or removal. Any number of offices may be held by the same person. The Board of Directors may determine to leave any office vacant.

Section 5.2 Additional Positions and Titles. The Corporation may have assistants to officers, with such powers and duties as the Board of Directors, the Chief Executive Officer, the President or another authorized officer, may from time to time determine. Any officer or employee may be assigned any additional title, with such powers and duties, as the Board of Directors or an authorized officer may from time to time determine. Any persons appointed as assistant officers, and any persons upon whom such titles are conferred, shall not be deemed officers of the Corporation unless appointed by the Board of Directors or the Chief Executive Officer pursuant to Section 5.1.

Section 5.3 Compensation. The salaries of the officers of the Corporation shall be fixed from time to time by the Board of Directors or by any person or persons to whom the Board of Directors has delegated such authority.

Section 5.4 Removal, Resignation and Vacancies. Any officer of the Corporation may be removed, with or without cause, by the Board of Directors or an authorized officer. Any officer or assistant officer, if appointed by an officer, also may be removed by the officer authorized to appoint such officer or assistant officer. Any officer may resign at any time upon notice given in writing or by electronic transmission to the Corporation. Any resignation or removal shall be without prejudice to the rights, if any, of such officer under any contract to which it is a party. Any vacancy occurring in any office of the Corporation may be filled by the Board of Directors or in accordance with Section 5.1 or Section 5.2, as applicable, by the Chief Executive Officer or another authorized officer or such office may be left vacant.

Section 5.5 Chief Executive Officer. The Chief Executive Officer shall have general supervision and direction of the business and affairs of the Corporation, shall be responsible for corporate policy and strategy, and shall report directly to the Board of Directors.

Section 5.6 President. In the absence or inability or refusal to act of the Chief Executive Officer, the President shall have all of the powers and duties of the Chief Executive Officer. The President shall perform all other duties incident to the office of President and such other duties as the Board of Directors or the Chief Executive Officer may from time to time determine.

Section 5.7 Chief Financial Officer. The Chief Financial Officer shall exercise all the powers and perform the duties of the office of the Chief Financial Officer and in general have overall supervision of the financial operations of the Corporation. The Chief Financial Officer shall perform such other duties as the Board of Directors or the Chief Executive Officer may from time to time determine.

Section 5.8 Secretary. The powers and duties of the Secretary shall include acting as Secretary at all meetings of the Board of Directors, of the committees of the Board of Directors and of the stockholders, and performing all other duties incident to the office of Secretary. The Secretary shall perform such other duties as the Board of Directors, the Chief Executive Officer or another authorized officer may from time to time determine.

Section 5.9 Authority and Duties of Other Officers. The Chief Executive Officer, President, Chief Financial Officer and the Secretary shall have such authority, functions or duties as set forth in these Bylaws or as determined by the Board of Directors. Other officers shall have such authority, functions or duties as set forth in these Bylaws or as determined by the Board of Directors, the Chief Executive Officer or another officer authorized to prescribe the duties of such officer. To the extent not so set forth or determined, each such officer shall have such authority, functions or duties as those that generally pertain to their respective offices, subject to the control of the Board of Directors. Unless otherwise determined by the Board of Directors or otherwise provided by law or these Bylaws, contracts, evidences of indebtedness and other instruments or documents of the Corporation may be executed, signed or endorsed: (i) by the Chief Executive Officer or the President; or (ii) by other officers of the Corporation, in each case only with regard to such instruments or documents that pertain to or relate to such person's duties or business functions.

Section 5.10 Action with Respect to Securities of Other Corporations or Entities. The Chief Executive Officer, or any other person or persons to whom the Board of Directors or the Chief Executive Officer has delegated such authority, is authorized to vote, represent, and exercise on behalf of the Corporation all rights incident to any and all shares or other equity interests of any other corporation or entity or corporations or entities, standing in the name of the Corporation. The authority herein granted may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by the person having such authority.

Section 5.11 Delegation. The Board of Directors or an authorized officer may from time to time delegate the powers or duties of any officer to any other officers or agents, notwithstanding the foregoing provisions of this Article V.

## ARTICLE VI INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

### Section 6.1 Right to Indemnification.

(a) Each person who was or is a party or is threatened to be made a party to, or was or is otherwise involved in, any action, suit, arbitration, alternative dispute resolution mechanism, investigation, inquiry, judicial, administrative or legislative hearing, or any other threatened, pending or completed proceeding, whether brought by or in the right of the Corporation or otherwise, including any and all appeals, whether of a civil, criminal, administrative, legislative, investigative or other nature (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or an officer of the Corporation or while a director or an officer of the Corporation is or was serving at the request of the Corporation as a director, officer, employee, agent or trustee of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "indemnitee"), or by reason of anything done or not done by him or her in any such capacity, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended, against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes, penalties and amounts paid in settlement by or on behalf of the indemnitee) actually and reasonably incurred by such indemnitee in connection therewith, all on the terms and conditions set forth in these Bylaws; provided, however, that, except as otherwise required by law or provided in Section 6.4 with respect to suits to enforce rights under this Article VI, the Corporation shall indemnify any such indemnitee in connection with a proceeding, or part thereof, voluntarily initiated by such indemnitee (including claims and counterclaims, whether such counterclaims are asserted by: (i) such indemnitee; or (ii) the Corporation in a proceeding initiated by such indemnitee) only if such proceeding, or part thereof, was authorized or ratified by the Board of Directors or the Board of Directors otherwise determines that indemnification or advancement of expenses is appropriate.

(b) Any reference to an officer of the Corporation in this Article VI shall be deemed to refer exclusively to the Chief Executive Officer, President, Chief Financial Officer and Secretary and any officer of the Corporation (1) appointed by the Board of Directors pursuant to Section 5.1 or (2) designated by the Board of Directors as such for purposes of Section 16 of the Exchange Act, and any reference to an officer of any other enterprise shall be deemed to refer exclusively to an officer appointed by the board of directors or equivalent governing body of such other enterprise pursuant to the certificate of incorporation and bylaws (or equivalent organizational documents) of such other enterprise. The fact that any person who is or was an employee of the Corporation or an employee of any other enterprise has been given or has used the title of "Vice President" or any other title that could be construed to suggest or imply that such person is or may be an officer of the Corporation or of such other enterprise shall not, by itself, result in such person being constituted as, or being deemed to be, an officer of the Corporation or of such other enterprise for purposes of this Article VI.

Section 6.2 Right to Advancement of Expenses

(a) In addition to the right to indemnification conferred in Section 6.1, an indemnitee shall, to the fullest extent permitted by law, also have the right to be paid by the Corporation the expenses (including attorneys' fees) incurred in defending any proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that an advancement of expenses shall be made only upon delivery to the Corporation of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision of a court of competent jurisdiction from which there is no further right to appeal (hereinafter a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Article VI or otherwise.

(b) Notwithstanding the foregoing Section 6.2(a), the Corporation shall not make or continue to make advancements of expenses to an indemnitee if a determination is reasonably made that the facts known at the time such determination is made demonstrate clearly and convincingly that the indemnitee acted in bad faith or in a manner that the indemnitee did not reasonably believe to be in or not opposed to the best interests of the Corporation, or, with respect to any criminal proceeding, that the indemnitee had reasonable cause to believe his or her conduct was unlawful. Such determination shall be made: (i) by the Board of Directors by a majority vote of directors who are not parties to such proceeding, whether or not such majority constitutes a quorum; (ii) by a committee of such directors designated by a majority vote of such directors, whether or not such majority constitutes a quorum; or (iii) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion to the Board of Directors, a copy of which shall be delivered to the indemnitee.

Section 6.3 Indemnification for Successful Defense. To the extent that an indemnitee has been successful on the merits or otherwise in defense of any proceeding (or in defense of any claim, issue or matter therein), such indemnitee shall be indemnified under this Section 6.3 against expenses (including attorneys' fees) actually and reasonably incurred in connection with such defense. Indemnification under this Section 6.3 shall not be subject to satisfaction of a standard of conduct, and the Corporation may not assert the failure to satisfy a standard of conduct as a basis to deny indemnification or recover amounts advanced, including in a suit brought pursuant to Section 6.4 (notwithstanding anything to the contrary therein).

Section 6.4 Right of Indemnitee to Bring Suit. If a request for indemnification under Section 6.1 or Section 6.3 is not paid in full by the Corporation within 60 days, or if a request for an advancement of expenses under Section 6.2 is not paid in full by the Corporation within 20 days, after a written request has been received by the Secretary, the indemnitee may at any time thereafter bring suit against the Corporation in a court of competent jurisdiction in the State of Delaware seeking an adjudication of entitlement to such indemnification or advancement of expenses. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit to the fullest extent permitted by law. In any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that the indemnitee has not met any applicable standard of conduct for indemnification set forth in Section 145(a) or Section 145(b) of the DGCL. Further, in any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the indemnitee has not met any applicable standard of conduct for indemnification set forth in Section 145(a) or Section 145(b) of the DGCL. Neither the failure of the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met such applicable standard of conduct, nor an actual determination by the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel or its stockholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under applicable law, this Article VI or otherwise shall be on the Corporation.

Section 6.5 Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses conferred in this Article VI shall not be exclusive of any other right which any person may have or hereafter acquire under any law, agreement, vote of stockholders or disinterested directors, provisions of a certificate of incorporation or bylaws, or otherwise.

Section 6.6 Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

Section 6.7 Indemnification of Employees and Agents of the Corporation; Service at Subsidiaries. The Corporation may, to the extent and in the manner permitted by law, and to the extent authorized from time to time, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation. Any person serving as a director or officer of a subsidiary of the Corporation shall be entitled to the rights to indemnification conferred in this Article VI, and to the advancement of expenses, as defined in Section 6.2, with respect to his or her service at such subsidiary; provided, however, that the advancement of expenses to any person who is not an indemnitee as defined in Section 6.1(a) shall be at the discretion of the Corporation. Any director or officer of a subsidiary is deemed to be serving such subsidiary at the request of the Corporation, and the Corporation is deemed to be requesting such service. This Article VI shall, to the fullest extent permitted by law, supersede any conflicting provisions contained in the corporate governance documents of any other subsidiary of the Corporation. In addition, the Corporation may, to the extent and in the manner permitted by law, and to the extent authorized from time to time, grant rights to indemnification and to the advancement of expenses to individuals with respect to their service as an employee or agent of subsidiaries of the Corporation.

Section 6.8 Nature of Rights. The rights conferred upon indemnitees in this Article VI shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a director or officer and shall inure to the benefit of the indemnitee's heirs, executors and administrators. Any amendment, alteration or repeal of this Article VI that adversely affects any right of an indemnitee or its successors shall be prospective only and shall not limit or eliminate any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment, alteration or repeal.

Section 6.9 Settlement of Claims. Notwithstanding anything in this Article VI to the contrary, the Corporation shall not be liable to indemnify any indemnitee under this Article VI for any amounts paid in settlement of any proceeding effected without the Corporation's written consent, which consent shall not be unreasonably withheld.

Section 6.10 Subrogation. In the event of payment under this Article VI, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of the indemnitee (excluding insurance obtained on the indemnitee's own behalf), and the indemnitee shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Corporation effectively to bring suit to enforce such rights.

Section 6.11 Severability. If any provision or provisions of this Article VI shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law: (a) the validity, legality and enforceability of such provision in any other circumstance and of the remaining provisions of this Article VI (including, without limitation, all portions of any paragraph of this Article VI containing any such provision held to be invalid, illegal or unenforceable, that are not by themselves invalid, illegal or unenforceable) and the application of such provision to other persons or entities or circumstances shall not in any way be affected or impaired thereby; and (b) to the fullest extent possible, the provisions of this Article VI (including, without limitation, all portions of any paragraph of this Article VI containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent of the parties that the Corporation provide protection to the indemnitee to the fullest extent set forth in this Article VI.

**ARTICLE VII  
CAPITAL STOCK**

Section 7.1 Certificates of Stock. The shares of the Corporation shall be represented by certificates; provided, however, that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Every holder of stock represented by certificates shall be entitled to have a certificate signed by or in the name of the Corporation by any two authorized officers of the Corporation, including, without limitation, the Chief Executive Officer, the President, the Chief Financial Officer, the Treasurer, the Controller, the Secretary, or an Assistant Treasurer or Assistant Secretary certifying the number of shares owned by such holder in the Corporation. Any or all such signatures may be facsimiles or otherwise electronic signatures. In case any officer, transfer agent or registrar who has signed or whose facsimile or otherwise electronic signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

Section 7.2 Special Designation on Certificates. If the Corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock; provided, however, that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Within a reasonable time after the issuance or transfer of uncertificated stock, the registered owner thereof shall be given a notice, in writing or by electronic transmission, containing the information required to be set forth or stated on certificates pursuant to this Section 7.2 or Sections 151, 156, 202(a) or 218(a) of the DGCL or with respect to this Section 7.2 and Section 151 of the DGCL a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Except as otherwise expressly provided by law, the rights and obligations of the holders of uncertificated stock and the rights and obligations of the holders of certificates representing stock of the same class and series shall be identical.

Section 7.3 Transfers of Stock. Transfers of shares of stock of the Corporation shall be made only on the books of the Corporation upon authorization by the registered holder thereof or by such holder's attorney thereunto authorized by a power of attorney duly executed and filed with the Secretary or a transfer agent for such stock, and if such shares are represented by a certificate, upon surrender of the certificate or certificates for such shares properly endorsed or accompanied by a duly executed stock transfer power and the payment of any taxes thereon; provided, however, that the Corporation shall be entitled to recognize and enforce any lawful restriction on transfer. Transfers may also be made in any manner authorized by the Corporation (or its authorized transfer agent) and permitted by Section 224 of the DGCL.

Section 7.4 Lost Certificates. The Corporation may issue a new share certificate or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate or the owner's legal representative to give the Corporation a bond (or other adequate security) sufficient to indemnify it against any claim that may be made against it (including any expense or liability) on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares. The Board of Directors may adopt such other provisions and restrictions with reference to lost certificates, not inconsistent with applicable law, as it shall in its discretion deem appropriate.

Section 7.5 Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise required by law.



Section 7.6 Record Date for Determining Stockholders.

(a) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjourned meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, unless otherwise required by law, not be more than 60 nor less than 10 days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be at the close of business (as defined in Section 2.10(c)(iii) above) on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjourned meeting; provided, however, that the Board of Directors may fix a new record date for the determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than 60 days prior to such action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 7.7 Regulations. To the extent permitted by applicable law, the Board of Directors may make such additional rules and regulations as it may deem expedient concerning the issue, transfer and registration of shares of stock of the Corporation.

Section 7.8 Waiver of Notice. Whenever notice is required to be given under any provision of the DGCL or the Certificate of Incorporation or these Bylaws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, the Board of Directors or a committee of the Board of Directors need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the Certificate of Incorporation or these Bylaws.

**ARTICLE VIII  
GENERAL MATTERS**

Section 8.1 Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January of each year and end on the last day of December of the same year, or shall extend for such other 12 consecutive months as the Board of Directors may designate.

Section 8.2 Corporate Seal. The Board of Directors may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary. If and when so directed by the Board of Directors or a committee thereof, duplicates of the seal may be kept and used by the Treasurer or by an Assistant Secretary or Assistant Treasurer.

Section 8.3 Reliance upon Books, Reports and Records. Each director and each member of any committee designated by the Board of Directors shall, in the performance of his or her duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers or employees, or committees of the Board of Directors so designated, or by any other person as to matters which such director or committee member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

Section 8.4 Subject to Law and Certificate of Incorporation. All powers, duties and responsibilities provided for in these Bylaws, whether or not explicitly so qualified, are qualified by the Certificate of Incorporation (including any Preferred Stock Designation) and applicable law.

Section 8.5 Electronic Signatures, etc. Except as otherwise required by the Certificate of Incorporation (including as otherwise required by any Preferred Stock Designation) or these Bylaws (including, without limitation, as otherwise required by Section 2.14), any document, including, without limitation, any consent, agreement, certificate or instrument, required by the DGCL, the Certificate of Incorporation (including any Preferred Stock Designation) or these Bylaws to be executed by any officer, director, stockholder, employee or agent of the Corporation may be executed using a facsimile or other form of electronic signature to the fullest extent permitted by applicable law. All other contracts, agreements, certificates or instruments to be executed on behalf of the Corporation may be executed using a facsimile or other form of electronic signature to the fullest extent permitted by applicable law. The terms "electronic mail," "electronic mail address," "electronic signature" and "electronic transmission" as used herein shall have the meanings ascribed thereto in the DGCL.

## ARTICLE IX

Section 9.1 Forum. Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery (the "Court of Chancery") of the State of Delaware (or, in the event that the Court of Chancery does not have jurisdiction, the federal district court for the District of Delaware or other state courts of the State of Delaware) shall, to the fullest extent permitted by law, be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by, or other wrongdoing by, any current or former director, officer, employee or stockholder of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation arising pursuant to any provision of the DGCL or as to which the DGCL confers jurisdiction on the Court of Chancery, the Certificate of Incorporation or these Bylaws (as either may be amended from time to time); (iv) any action to interpret, apply, enforce or determine the validity of the Certificate of Incorporation or these Bylaws (as either may be amended from time to time) or (v) any action asserting a claim against the Corporation governed by the internal affairs doctrine. Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action against the Corporation or any director, officer, employee or agent of the Corporation arising under the Securities Act of 1933, as amended. This provision does not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article IX.

Section 9.2 Enforceability. If any provision of this Article IX shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provision in any other circumstance and of the remaining provisions of this Article IX (including, without limitation, each portion of any sentence of this Article IX containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable), and the application of such provision to other persons or entities or circumstances shall not in any way be affected or impaired thereby.

**ARTICLE X  
AMENDMENTS**

Section 10.1 Amendments. In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the Board of Directors is expressly authorized to adopt, amend or repeal these Bylaws. Except as otherwise provided in the Certificate of Incorporation (including the terms of any Preferred Stock Designation that provides for a greater or lesser vote) or these Bylaws, and in addition to any other vote required by law, the affirmative vote of the holders of at least 662/3% of the aggregate voting power of the then-outstanding voting shares of voting stock entitled to vote generally in the election of directors, voting together as a single class, shall be required for the stockholders to adopt, amend or repeal all or any portion of Sections 2.9 or 2.10 of Article II, Section 3.2 of Article III, Article VI and Article X of these Bylaws.<sup>1</sup>

*The foregoing Amended and Restated Bylaws were adopted by the Board of Directors on October 30, 2023*

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<sup>1</sup> The Bylaws were amended and restated after the Certificate of Incorporation was filed. References in the Certificate of Incorporation to Sections 13 or 14 of Article II, Section 2 of Article III, Article VIII and Section 6 of Article IX of the Bylaws shall be deemed to refer to Sections 2.9 or 2.10 of Article II, Section 3.2 of Article III, Article VI and Article X, respectively, of these Bylaws.

THE OFFER AND SALE OF THESE SECURITIES AND THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, ASSIGNED OR OTHERWISE DISPOSED OF (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR (B) AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN EACH CASE IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS OR BLUE SKY LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER THE SECURITIES ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES; PROVIDED, THAT IN CONNECTION WITH ANY FORECLOSURE OR TRANSFER OF THE SECURITIES, THE TRANSFEROR SHALL COMPLY WITH THE PROVISIONS HEREIN AND IN THE SECURITIES PURCHASE AGREEMENT, AND UPON FORECLOSURE OR TRANSFER OF THE SECURITIES, SUCH FORECLOSING PERSON OR TRANSFEREE SHALL COMPLY WITH ALL PROVISIONS CONTAINED HEREIN AND IN THE SECURITIES PURCHASE AGREEMENT.

CATALYST BIOSCIENCES, INC.

WARRANT TO PURCHASE SERIES X CONVERTIBLE PREFERRED STOCK

Warrant No. 1

Original Issue Date: October 30, 2023

Catalyst Biosciences, Inc., a Delaware corporation (the "*Company*"), hereby certifies that, for value received, GNI USA, Inc., a Delaware corporation or its permitted registered assigns (the "*Holder*"), is entitled to purchase from the Company up to a total of 811 shares of Series X Convertible Preferred Stock, \$0.001 par value per share (the "*Preferred Stock*"), having the designation, preferences, conversions or other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions as specified in the Certificate of Designation, as amended, filed with the Secretary of State of the State of Delaware on October 30, 2023 (the "*Certificate of Designation*"), which will be convertible into shares (the "*Conversion Shares*") of the common stock, par value \$0.001 per share (the "*Common Stock*") of the Company (each such share, a "*Warrant Share*" and all such shares, the "*Warrant Shares*") at an exercise price per share equal to \$4,915.00 per share of Preferred Stock (as adjusted from time to time as provided in Section 9 herein, the "*Exercise Price*"), at any time and from time to time on or after October 30, 2023 (the "*Original Issue Date*") and through and including 5:30 P.M., New York City time, on October 30, 2023 (the "*Expiration Date*"), and subject to the following terms and conditions:

This Warrant (this "*Warrant*") is issued pursuant to that certain Securities Purchase Agreement, dated October 27, 2023, by and among the Company and the Holder (the "*Purchase Agreement*").

- 1. Definitions.** In addition to the terms defined elsewhere in this Warrant, capitalized terms that are not otherwise defined herein have the meanings given to such terms in the Purchase Agreement.
- 2. Registration of Warrants.** The Company shall register this Warrant, upon records to be maintained by or on behalf of the Company for that purpose (the "*Warrant Register*"), in the name of the record Holder (which shall include the initial Holder or, as the case may be, any registered assignee to which this Warrant is permissibly assigned hereunder) from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.
- 3. Registration of Transfers.** Subject to the restrictions on transfer set forth in Section 4.1 of the Purchase Agreement and compliance with all applicable securities laws, the Company shall register the transfer of all or any portion of this Warrant in the Warrant Register, upon surrender of this Warrant, with the Form of Assignment attached as Schedule 2 hereto duly completed and signed, to the Company's transfer agent or to the Company at its address specified in the Purchase Agreement and (x) delivery, at the request of the Company, of an opinion of counsel reasonably satisfactory to the Company to the effect that the transfer of such portion of this Warrant may be made pursuant to an available exemption from the registration requirements of the Securities Act and all applicable state securities or blue sky laws and (y) delivery by the transferee of a written statement to the Company certifying that the transferee is an "accredited investor" as defined in Rule 501(a) under the Securities Act and making the representations and certifications set forth in Section 3.2 of the Purchase Agreement, to the Company at its address specified in the Purchase Agreement. Upon any such registration or transfer, a new warrant to purchase Preferred Stock in substantially the form of this Warrant (any such new warrant, a "*New Warrant*") evidencing the portion of this Warrant so transferred shall be issued to the transferee, and a New Warrant evidencing the remaining portion of this Warrant not so transferred, if any, shall be issued to the transferring Holder. The acceptance of the New Warrant by the transferee thereof shall be deemed the acceptance by such transferee of all of the rights and obligations in respect of the New Warrant that the Holder has in respect of this Warrant. The Company shall prepare, issue and deliver at its own expense any New Warrant under this Section 3.

#### 4. Exercise and Duration of Warrants.

(a) All or any part of this Warrant shall be exercisable by the registered Holder in any manner permitted by Section 10 of this Warrant at any time and from time to time on or after the Original Issue Date and through and including 5:30 P.M., New York City time, on the Expiration Date, subject to the conditions and restrictions contained in this Warrant. At 5:30 P.M., New York City time, on the Expiration Date, the portion of this Warrant not exercised prior thereto shall be and become void and of no value and this Warrant shall be terminated and no longer outstanding.

(b) The Holder may exercise this Warrant by delivering to the Company (i) an exercise notice, in the form attached as Schedule 1 hereto (the “*Exercise Notice*”), completed and duly signed, and (ii) payment of the Exercise Price for the number of Warrant Shares as to which this Warrant is being exercised (which may take the form of a “cashless exercise” if so indicated in the Exercise Notice pursuant to Section 10 below). The date on which the Exercise Notice is delivered to the Company (as determined in accordance with the notice provisions hereof) is an “*Exercise Date*.” Within two (2) days following the delivery of the Exercise Notice (the “*Payment Deadline*”), the Holder shall make payment with respect to the Exercise Price for the number of Warrant Shares as to which this Warrant is being exercised; provided that the Company’s obligations to deliver such Warrant Shares shall be delayed on a day-for-day basis each day after the Payment Deadline such payment of the Exercise Price is not paid. The delivery by (or on behalf of) the Holder of the Exercise Notice and the applicable Exercise Price as provided above shall constitute the Holder’s certification to the Company that its representations contained in Sections 3.2(b), (c) and (d) of the Purchase Agreement are true and correct as of the Exercise Date as if remade in their entirety (or, in the case of any transferee Holder that is not a party to the Purchase Agreement, such transferee Holder’s certification to the Company that such representations are true and correct as to such transferee Holder as of the Exercise Date). The Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date the final Exercise Notice is delivered to the Company. Execution and delivery of the Exercise Notice shall have the same effect as cancellation of the original Warrant and issuance of a New Warrant evidencing the right to purchase the remaining number of Warrant Shares, if any.

#### 5. Delivery of Warrant Shares.

(a) Subject to Section 4(b), upon exercise of this Warrant, the Company shall promptly (but no later than two (2) Trading Days after the Exercise Date (or three (3) Trading Days after the Exercise Date if the last of the Exercise Notice, the Exercise Price and a written statement of the Holder referred to below in this Section 5(a) (if applicable) is delivered after 5:00 P.M., New York City time, on the Exercise Date)) issue or cause to be issued and cause to be delivered to or upon the written order of the Holder and in such name or names as the Holder may designate, *provided* that, if the Holder directs the Company to deliver the Warrant Shares in a name other than that of the Holder or an Affiliate of the Holder, it shall deliver to the Company on the Exercise Date a written statement of such Holder to the Company certifying that the Holder is an “accredited investor” as defined in Rule 501(a) under the Securities Act and making the representations and certifications set forth in Section 3.2 of the Purchase Agreement and an electronic delivery of the Warrant Shares to the Holder’s account at The Depository Trust Company (“*DTC*”) or a similar organization, unless the Warrant Shares or Conversion Shares are not freely transferable without volume and manner of sale restrictions pursuant to Rule 144 under the Securities Act, in which case such Holder shall receive a book-entry notation for the Warrant Shares or Conversion Shares issuable upon such exercise with appropriate restrictive legends. The Holder, or any Person permissibly so designated by the Holder to receive Warrant Shares, shall be deemed to have become the holder of record of such Warrant Shares as of the Exercise Date. If the Warrant Shares or Conversion Shares are to be issued free of all restrictive legends, the Company shall, upon the written request of the Holder, use its commercially reasonable efforts to deliver, or cause to be delivered, Warrant Shares or Conversion Shares, as applicable, hereunder electronically through DTC or another established clearing corporation performing similar functions, if available; provided, that, the Company may, but will not be required to, change its transfer agent if its current transfer agent cannot deliver Warrant Shares or Conversion Shares electronically through such a clearing corporation. In addition, notwithstanding the foregoing, the Holder may convert the Warrant Shares subject to the Notice of Exercise into Conversion Shares pursuant to the Certificate of Designation by simultaneously delivering the Notice of Exercise and a Notice of Stock Conversion (as defined in the Certificate of Designation) to the Company thereunder, and upon the delivery of said Notice of Stock Conversion, the Company shall deliver, or cause to be delivered, to the converting Holder the applicable number of Conversion Shares subject to the Notice of Stock Conversion by the Share Delivery Date (as defined in the Certificate of Designation).

(b) To the extent permitted by law, the Company's obligations to issue and deliver Warrant Shares and Conversion Shares in accordance with and subject to the terms hereof (including the limitations set forth in Section 12 below) are absolute and unconditional, irrespective of any action or inaction by the Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same. If the Company fails for any reason to deliver to the Holder the Warrant Shares subject to a Notice of Exercise by the delivery deadline set forth in this Section 5, the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each \$1,000 of Warrant Shares subject to such exercise (based on the VWAP of a share of the Common Stock on the applicable Exercise Date), \$10 per Trading Day (increasing to \$20 per Trading Day with respect to any Trading Day that is five (5) Trading Days after such liquidated damages have begun to accrue) for each Trading Day after such deadline until such Warrant Shares are delivered or Holder rescinds such exercise. Nothing herein shall limit the Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver the Warrant Shares upon exercise of the Warrant as required pursuant to the terms hereof.

(c) In addition to any other rights available to the Holder, if the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares in accordance with the provisions of Section 5(a) above pursuant to an exercise on or before the deadline set forth in this Section 5, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the Common Stock so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver Warrant Shares upon exercise of the Warrant as required pursuant to the terms hereof.

6. Charges, Taxes and Expenses. Issuance and delivery of the Warrant Shares upon exercise of this Warrant shall be made without charge to the Holder for any issue or transfer tax, transfer agent fee or other incidental tax or expense in respect of the issuance of the Warrant Shares, all of which taxes and expenses shall be paid by the Company; *provided, however*, that the Company shall not be required to pay any tax that may be payable in respect of any transfer involved in the registration Warrant Shares or the Warrants in a name other than that of the Holder or an Affiliate thereof. The Holder shall be responsible for all other tax liabilities that may arise as a result of holding or transferring this Warrant or receiving Warrant Shares upon exercise hereof.

7. Replacement of Warrant. If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a New Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction (in such case) and, in each case, a customary and reasonable indemnity and surety bond, if requested by the Company. Applicants for a New Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe. If a New Warrant is requested as a result of a mutilation of this Warrant, then the Holder shall deliver such mutilated Warrant to the Company as a condition precedent to the Company's obligation to issue the New Warrant.

8. Reservation of Warrant Shares and Conversion Shares. The Company covenants that it will at all times reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Preferred Stock and Common Stock, solely for the purpose of enabling it to issue Warrant Shares and Conversion Shares, respectively, upon exercise of this Warrant as herein provided, the number of Warrant Shares and Conversion Shares that are initially issuable and deliverable upon the exercise of this entire Warrant, free from preemptive rights or any other contingent purchase rights of persons other than the Holder (taking into account the adjustments and restrictions of Section 9). The Company covenants that all Warrant Shares and Conversion Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price (or upon a "cashless exercise" pursuant to Section 10) in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and nonassessable. The Company will take all commercially reasonable actions as may be necessary to assure that such shares of Preferred Stock and Common Stock may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of any securities exchange or automated quotation system upon which the Preferred Stock or Common Stock may be listed.

9. Certain Adjustments. The Exercise Price and number of Warrant Shares issuable upon exercise of this Warrant are subject to adjustment from time to time as set forth in this Section 9.

(a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding, (i) pays a stock dividend on its Common Stock or Preferred Stock or otherwise makes a distribution on any class of capital stock that is payable in shares of Common Stock or Preferred Stock (which, for avoidance of doubt, shall not include any shares of Preferred Stock issued by the Company upon exercise of this Warrant and shall not include any of the dividends to be paid to the holders of Preferred Stock pursuant to Section 3 of the Certificate of Designation), (ii) subdivides its outstanding shares of Common Stock or Preferred Stock into a larger number of shares, (iii) combines (including by way of reverse stock split) its outstanding shares of Common Stock or Preferred Stock into a smaller number of shares or (iv) issues by reclassification of shares of Common Stock or Preferred Stock any share capital of the Company, then in each such case, the Exercise Price shall be multiplied by a fraction, the numerator of which shall be the number of shares of Common Stock or Preferred Stock, respectively, outstanding immediately before such event and the denominator of which shall be the number of shares of Common Stock or Preferred Stock, respectively, outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to clause (i) of this paragraph shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend, distribution or reclassification, and any adjustment pursuant to clause (ii), (iii) or (iv) of this paragraph shall become effective immediately after the effective date of such subdivision, combination or reclassification.

(b) Pro Rata Distributions. If the Company, at any time while this Warrant is outstanding, distributes to all holders of Common Stock or Preferred Stock for no consideration (i) evidences of its indebtedness, (ii) any security (other than a distribution of Common Stock or Preferred Stock covered by the preceding paragraph) or (iii) rights or warrants to subscribe for or purchase any security, or (iv) any other asset (in each case, "*Distributed Property*"), then, upon any exercise of this Warrant that occurs after the record date fixed for determination of stockholders entitled to receive such distribution, the Holder shall be entitled to receive, in addition to the Warrant Shares otherwise issuable upon such exercise (if applicable), the Distributed Property that the Holder would have been entitled to receive in respect of such number of Warrant Shares had the Holder been the record holder of such Warrant Shares immediately prior to such record date without regard to any limitation on exercise contained therein. Notwithstanding anything herein to the contrary, the foregoing provisions in this Section 9(b) shall not apply to, or be triggered by, any rights issued by the Company (either separately or that attach to any securities of the Company) in connection with any stockholders rights agreement, poison pill or other similar anti-takeover provision under the Company's certificate of incorporation, bylaws or other documents.

(c) Fundamental Transactions. If, at any time while this Warrant is outstanding, the Company effects a “*Fundamental Transaction*” (defined as (i) any merger or consolidation of the Company with or into another Person (ii) any sale of all or substantially all of the Company’s and its subsidiaries’ assets, taken as a whole, (iii) any reclassification of the Common Stock or Preferred Stock (other than a change to par value, or from par value to no par value or changes resulting from a combination or subdivision), or (iv) any statutory exchange of the outstanding shares of Common Stock or Preferred Stock, as a result of which, the holders of the Common Stock or Preferred Stock, respectively, would be entitled to receive, or their Common Stock or Preferred Stock, respectively, would be converted into, or exchanged for, shares, stock, other securities, or other property or assets (including cash or any combination thereof) but in no event shall a “Fundamental Transaction” include the Business Combination (as defined below)), then, to the extent then permitted under applicable laws, rules and regulations (including the rules of the Nasdaq Stock Market or any exchange on which the Common Stock or Preferred Stock is then listed), upon any subsequent exercise of this Warrant, the Holder shall have the right to receive, for each Warrant Share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, the same kind and amount of securities, cash, assets or property as it would have been entitled to receive upon the occurrence of such Fundamental Transaction if it had been, immediately prior to such Fundamental Transaction, the holder of the number of Warrant Shares then issuable upon exercise in full of this Warrant without regard to any limitations on exercise contained herein (the “*Alternate Consideration*”). The Company shall not effect any such Fundamental Transaction unless prior to or simultaneously with the consummation thereof, any successor to the Company or surviving entity shall assume the obligation to deliver to the Holder, such Alternate Consideration as, in accordance with the foregoing provisions, the Holder may be entitled to receive, and the other obligations under this Warrant. The provisions of this Section 9(c) shall similarly apply to subsequent transactions analogous of a Fundamental Transaction type.

(d) Number of Warrant Shares. Simultaneously with any adjustment to the Exercise Price pursuant to paragraph (a) of this Section 9, the number of Warrant Shares that may be purchased upon exercise of this Warrant shall be increased or decreased proportionately, so that after such adjustment the aggregate Exercise Price payable hereunder for the increased or decreased number of Warrant Shares shall be the same as the aggregate Exercise Price in effect immediately prior to such adjustment.

(e) Calculations. All calculations under this Section 9 shall be rounded down to the nearest whole cent or the nearest whole share, as applicable.

(f) Notice of Adjustments. Upon the occurrence of each adjustment pursuant to this Section 9, the Company at its expense will, at the written request of the Holder, promptly compute such adjustment, in good faith, in accordance with the terms of this Warrant and prepare a certificate setting forth such adjustment, including a statement of the adjusted Exercise Price and adjusted number or type of Warrant Shares or other securities issuable upon exercise of this Warrant (as applicable), describing the transactions giving rise to such adjustments and showing in detail the facts upon which such adjustment is based. Upon written request, the Company will promptly deliver a copy of each such certificate to the Holder and to the Company’s transfer agent.

(g) Notice of Corporate Events. If, while this Warrant is outstanding, the Company (i) declares a dividend or any other distribution of cash, securities or other property in respect of its Common Stock or Preferred Stock, including, without limitation, any granting of rights or warrants to subscribe for or purchase any capital stock of the Company, (ii) enters into any agreement contemplating or solicits stockholder approval for any Fundamental Transaction or (iii) authorizes the voluntary dissolution, liquidation or winding up of the affairs of the Company, then, except if such notice and the contents thereof shall be deemed to constitute material non-public information, the Company shall deliver to the Holder a notice of such transaction at least three (3) Trading Days prior to the applicable record or effective date on which a Person would need to hold Common Stock or Preferred Stock, as applicable, in order to participate in or vote with respect to such transaction; *provided, however*, that the failure to deliver such notice or any defect therein shall not affect the validity of the corporate action required to be described in such notice. To the extent that any notice provided hereunder constitutes, or contains, material, non-public information regarding the Company or any of its subsidiaries, the Company shall simultaneously file such notice with the Commission (as defined in the Purchase Agreement) pursuant to a Current Report on Form 8-K.



10. Payment of Exercise Price. The Holder shall pay the Exercise Price in immediately available funds by wire transfer to an account designated by the Company; provided, however, that the Holder may, in its sole discretion, satisfy its obligation to pay the Exercise Price at such time through a “cashless exercise”, in which event the Company shall issue to the Holder the number of Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

- (A) = the last reported closing sale price per share of Common Stock on the Trading Market on the Trading Day immediately preceding the Exercise Date, multiplied by 10,000;
- (B) = the Exercise Price of this Warrant, as adjusted hereunder; and
- (X) = the number of Warrant Shares that would be issuable upon exercise of this Warrant in accordance with the terms of this Warrant if such exercise were by means of a cash exercise rather than a cashless exercise.

For purposes of this Warrant:

“*VWAP*” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of a share of Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), or (b) if the Common Stock is not then listed on any Trading Market, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Holders of a majority in interest of the Warrants then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

If Warrant Shares are issued in such a cashless exercise, the parties acknowledge and agree that in accordance with Section 3(a)(9) of the Securities Act, and the holding period of the Warrant Shares being issued may be tacked on to the holding period of this Warrant, the Warrant Shares shall take on the characteristics of the Warrants being exercised. The Company agrees not to take any position to the contrary.

11. Company-Elected Conversion. The Company shall provide to the Holder prompt written notice if after the Original Issue Date the Company is unable to issue the Warrant Shares or Conversion Shares without restrictive legend, because the Commission has issued a stop order with respect to, or the Commission or Company has otherwise suspended or withdrawn, a Registration Statement covering the resale of the Conversion Shares, either temporarily or permanently, or otherwise (each a “*Restrictive Legend Event*”). To the extent that (A) a Restrictive Legend Event occurs, (B) at such time the Warrant Shares or Conversion Shares would be saleable under Rule 144 without compliance with the manner of sale or volume restrictions, (C) the Company has delivered the notice described in the immediately preceding sentence, and (D) the Holder attempts to exercise the Warrant after receipt of such notice by paying cash, the Company shall (i) if the Fair Market Value (as calculated above) of the Warrant Shares is greater than the Exercise Price, provide written notice to the Holder that the Company will deliver that number of Warrant Shares to the Holder as should be delivered in a cashless exercise in accordance with Section 10, and return to the Holder all consideration paid to the Company in connection with the Holder’s attempted exercise of this Warrant (a “*Company-Elected Conversion*”), or (ii) at the election of the Holder to be given within five (5) days of receipt of notice of a Company-Elected Conversion, the Holder shall be entitled to rescind the previously submitted Exercise Notice and the Company shall return all consideration paid by Holder for such Warrant Shares upon such rescission.

12. Limitations on Exercise. Notwithstanding anything to the contrary contained herein, the number of Warrant Shares that may be acquired by the Holder upon any exercise of this Warrant (or otherwise in respect hereof) shall be limited to the extent necessary to ensure that, following such exercise (or other issuance), the total number of shares of Common Stock then beneficially owned by the Holder and its Affiliates and any other Persons whose beneficial ownership of Common Stock would be aggregated with the Holder’s for purposes of Section 13(d) of the Exchange Act, does not exceed 19.99% (the “*Maximum Percentage*”) of the total number of then issued and outstanding shares of Common Stock (including for such purpose the shares of Common Stock issuable upon such exercise). For purposes of the foregoing sentence, the aggregate number of shares of Common Stock beneficially owned by the Holder and its Affiliates shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which the determination of such sentence is being made, but shall exclude shares of Common Stock which would be issuable upon (i) exercise of the remaining, unexercised portion of this Warrant beneficially owned by such Person and its Affiliates and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company beneficially owned by the Holder and its Affiliates (including, without limitation, any convertible notes or convertible preferred stock or warrants) subject to a limitation on conversion or exercise analogous to the limitation contained herein; provided that in no event shall the aggregate number of shares beneficially owned by the Holder and its Affiliates, calculated in accordance with Section 13(d) of the Exchange Act, exceed 19.99%. Except as set forth in the preceding sentence (other than the proviso thereto), for purposes of this paragraph (including the proviso in the immediately preceding sentence), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act; it being acknowledged by the Holder that the Company is not representing to such Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and such Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 12 applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by such Holder) and of which a portion of this Warrant is exercisable shall be in the sole discretion of a Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder’s determination of whether this Warrant is exercisable (in relation to other securities owned by such Holder) and of which portion of this Warrant is exercisable, in each case subject to such aggregate percentage limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 12, in determining the number of outstanding shares of Common Stock, the Holder may rely on the number of outstanding shares of Common Stock as reflected in (x) the Company’s most recent Form 10-Q or Form 10-K, as the case may be, (y) a more recent public announcement by the Company or (z) any other notice by the Company or the Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written request of the Holder, the Company shall within three (3) Trading Days confirm in writing to such Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including the Warrants, by the Holder and its Affiliates since the date as of which such number of outstanding shares of Common Stock was reported. By written notice to the Company, the Holder may from time to time increase or decrease the Maximum Percentage to any other percentage not in excess of 19.99% specified in such notice; provided, that (i) any such increase will not be effective until the sixty-first (61st) day after such notice is delivered to the Company, and (ii) any such increase or decrease will apply only to the Holder and not to any other holder of Warrants. The provisions of this paragraph shall not apply to the Holder if the aggregate number of shares beneficially owned by the Holder and its Affiliates, calculated in accordance with Section 13(d) of the Exchange Act, exceed 19.99% immediately prior to the Closing. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 12 to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended beneficial ownership limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation.

13. No Fractional Shares. No fractional Warrant Shares will be issued in connection with any exercise of this Warrant. In lieu of any fractional shares that would otherwise be issuable, the number of Warrant Shares to be issued shall be rounded down to the next whole number and the Company shall pay the Holder in cash in an amount equal to such fraction multiplied by the stated value of the Preferred Stock, as set forth in the Certificate of Designation for any such fractional shares. Accordingly, the Holder is entitled to exercise a number of Warrants that would solely result in the Holder receiving one or more whole Warrant Shares.

14. Notices. Any and all notices or other communications or deliveries hereunder (including, without limitation, any Exercise Notice) shall be in writing and shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via email at the email address specified in the Purchase Agreement prior to 5:30 P.M., New York City time, on a Trading Day, (ii) the next Trading Day after the date of transmission, if such notice or communication is delivered via email at the email address specified in the Purchase Agreement on a day that is not a Trading Day or later than 5:30 P.M., New York City time, on any Trading Day, (iii) the Trading Day following the date of mailing, if sent by nationally recognized overnight courier service specifying next business day delivery, and (iv) upon actual receipt by the Person to whom such notice is required to be given, if by hand delivery. The address and email address of a Person for such notices or communications shall be as set forth in the Purchase Agreement unless changed by such Person by two (2) Trading Days' prior written notice to the other Persons in accordance with this Section 14.

15. Warrant Agent. The Company shall serve as warrant agent under this Warrant. Upon notice to the Holder, the Company may appoint a new warrant agent. Any corporation into which the Company or any new warrant agent may be merged or any corporation resulting from any consolidation to which the Company or any new warrant agent shall be a party or any corporation to which the Company or any new warrant agent transfers substantially all of its corporate trust or stockholders services business shall be a successor warrant agent under this Warrant without any further act. Any such successor warrant agent shall promptly cause notice of its succession as warrant agent to be mailed (by first class mail, postage prepaid) to the Holder at the Holder's last address as shown on the Warrant Register.

16. Miscellaneous.

(a) No Rights as a Stockholder. The Holder, solely in such Person's capacity as a holder of this Warrant, shall not be entitled to vote or receive dividends or be deemed the holder of share capital of the Company for any purpose, nor shall anything contained in this Warrant be construed to confer upon the Holder, solely in such Person's capacity as the Holder of this Warrant, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, amalgamation, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the Holder of the Warrant Shares which such Person is then entitled to receive upon the due exercise of this Warrant. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (except upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company.

(b) No Avoidance. Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate or articles of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (a) not increase the par value of any Warrant Shares or Conversion Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (b) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and Conversion Shares upon conversion of the Warrant Shares, and (c) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof as may be necessary to enable the Company to perform its obligations under this Warrant.

(c) Successors and Assigns. Subject to the restrictions on transfer set forth in this Warrant and in Section 4.1 of the Purchase Agreement, and compliance with applicable securities laws, this Warrant may be assigned by the Holder. This Warrant may not be assigned by the Company without the written consent of the Holder except to a successor in the event of a Fundamental Transaction. This Warrant shall be binding on and inure to the benefit of the Company and the Holder and their respective successors and permitted assigns. Subject to the preceding sentence, nothing in this Warrant shall be construed to give to any Person other than the Company and the Holder any legal or equitable right, remedy or cause of action under this Warrant. This Warrant may be amended only in writing signed by the Company and the Holder, or their successors and assigns.

(d) Authorized Shares. The Company covenants that, during the period the Warrant is outstanding, it will reserve (i) from its authorized and unissued Preferred Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant and (ii) from its authorized and unissued Common Stock a sufficient number of shares to provide for the issuance of the Conversion Shares upon conversion of any Warrant Shares under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant and Conversion Shares upon the conversion of Warrant Shares under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares and Conversion Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Preferred Stock and Common Stock may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant and all Conversion Shares which may be issued upon the conversion of the Warrant Shares under this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith and conversion of the Warrant Shares in accordance with the Certificate of Designation, respectively, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

(e) Amendment and Waiver. Except as otherwise provided herein and subject to the restrictions set forth in the last sentence of Section 6.4 of the Purchase Agreement, the provisions of this Warrant may be amended and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Holder.

(f) Acceptance. Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

(g) Governing Law; Jurisdiction. This Warrant and all disputes or controversies arising out of or relating to this Warrant or the transactions contemplated hereby shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without regard to the laws of any other jurisdiction that might be applied because of the conflicts of laws principles of the State of Delaware. Each of the parties irrevocably agrees that any legal action or proceeding arising out of or relating to this Warrant brought by any party or its Affiliates against any other party or its Affiliates shall be brought and determined in the state and federal courts sitting in the City and County of Delaware. Each of the parties hereby irrevocably submits to the jurisdiction of the aforesaid courts for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Warrant and the transactions contemplated hereby. Each of the parties agrees not to commence any action, suit or proceeding relating thereto except in the courts described above in Delaware, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in Delaware as described herein. Each of the parties further agrees that notice as provided herein shall constitute sufficient service of process and the parties further waive any argument that such service is insufficient. Each of the parties hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Warrant or the transactions contemplated hereby, (a) any claim that it is not personally subject to the jurisdiction of the courts in Delaware as described herein for any reason, (b) that it or its property is exempt or immune from jurisdiction.

(h) Headings. The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or affect any of the provisions hereof.

(i) Severability. In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby, and the Company and the Holder will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

(j) Business Combination. References herein to "Company" shall mean Gyre Therapeutics, Inc. on and after the date of completion of certain contributions and other transactions contemplated by that certain Business Combination Agreement, dated as of December 26, 2022, as amended on March 29, 2023 and August 30, 2023, among Catalyst Biosciences, Inc., GNI Group Ltd., a company incorporated under the laws of Japan with limited liability, GNI USA, Inc., a Delaware corporation, GNI Hong Kong Ltd., a company incorporated under the laws of Hong Kong with limited liability, Shanghai Genomics, Inc., a company organized under the laws of the People's Republic of China, Continent Pharmaceuticals Inc., a Cayman Islands company limited by shares, and certain individuals party thereto (the "*Business Combination*").

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IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by its authorized officer as of the date first indicated above.

CATALYST BIOSCIENCES, INC.

By: \_\_\_\_\_

Name: Nassim Usman, Ph.D.

Title: Chief Executive Officer

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SCHEDULE 1

FORM OF EXERCISE NOTICE

[To be executed by the Holder to purchase shares of Preferred Stock under the Warrant]

Ladies and Gentlemen:

(1) The undersigned is the Holder of Warrant No. \_\_\_\_\_ (the "*Warrant*") issued by Catalyst Biosciences, Inc., a Delaware corporation (the "*Company*"). Capitalized terms used herein and not otherwise defined herein have the respective meanings set forth in the Warrant.

(2) The undersigned hereby exercises its right to purchase \_\_\_\_\_ Warrant Shares pursuant to the Warrant.

(3) The Holder intends that payment of the Exercise Price shall be made as (check one):

- Cash Exercise  
 "Cashless Exercise"

(4) If the Holder has elected a Cash Exercise, the Holder shall pay the sum of \$ \_\_\_\_\_ in immediately available funds to the Company in accordance with the terms of the Warrant.

(5) Pursuant to this Exercise Notice, the Company shall deliver to the Holder Warrant Shares determined in accordance with the terms of the Warrant.

(6) By its delivery of this Exercise Notice, the undersigned represents and warrants to the Company that in giving effect to the exercise evidenced hereby the Holder will not beneficially own in excess of the number of shares of Common Stock (as determined in accordance with Section 13(d) of the Securities Exchange Act of 1934) permitted to be owned under Section 12 of the Warrant to which this notice relates.

(7) By its delivery of this Exercise Notice and pursuant to Section 4(b) of the Warrant, the undersigned certifies to the Company that its representations contained in Sections 3.2(b), (c) and (d) of the Purchase Agreement are true and correct as of the date hereof as if remade in their entirety (or, in the case of any transferee Holder that is not a party to the Purchase Agreement, such transferee Holder's certification to the Company that such representations are true and correct as to such transferee Holder as of the date hereof).

Dated: \_\_\_\_\_

Name of Holder: \_\_\_\_\_

By: \_\_\_\_\_

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

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

(Signature must conform in all respects to name of Holder as specified on the face of the Warrant)

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SCHEDULE 2

FORM OF ASSIGNMENT

[To be completed and executed by the Holder only upon transfer of the Warrant]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto (the "Transferee") the right represented by the within Warrant to purchase shares of Series X Convertible Preferred Stock, \$0.001 par value per share (the "Preferred Stock") of Catalyst Biosciences, Inc. (the "Company") to which the within Warrant relates and appoints attorney to transfer said right on the books of the Company with full power of substitution in the premises. In connection therewith, the undersigned represents, warrants, covenants and agrees to and with the Company that:

- (a) the offer and sale of the Warrant contemplated hereby is being made in compliance with Section 4(a)(2) of the United States Securities Act of 1933, as amended (the "Securities Act") or another valid exemption from the registration requirements of Section 5 of the Securities Act and in compliance with all applicable securities laws of the states of the United States;
- (b) the undersigned has not offered to sell the Warrant by any form of general solicitation or general advertising, including, but not limited to, any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television or radio, and any seminar or meeting whose attendees have been invited by any general solicitation or general advertising;
- (c) the undersigned has read the Transferee's investment letter included herewith, and to its actual knowledge, the statements made therein are true and correct; and
- (d) the undersigned understands that the Company may condition the transfer of the Warrant contemplated hereby upon the delivery to the Company by the undersigned or the Transferee, as the case may be, of a written opinion of counsel (which opinion shall be in form, substance and scope customary for opinions of counsel in comparable transactions) to the effect that such transfer may be made without registration under the Securities Act and under applicable securities laws of the states of the United States.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

\_\_\_\_\_  
Address of Transferee

In the presence of:  
  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

## SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement (this “*Agreement*”) is dated as of October 27, 2023, by and between Catalyst Biosciences, Inc., a Delaware corporation (the “*Company*”), and GNI USA, Inc., a Delaware corporation (“*Purchaser*”).

## RECITALS

A. The Company and Purchaser are executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the “*Securities Act*”), and Rule 506 of Regulation D (“*Regulation D*”) as promulgated by the United States Securities and Exchange Commission (the “*Commission*”) under the Securities Act.

B. Purchaser wishes to purchase, and the Company wishes to sell, upon the terms and conditions stated in this Agreement, 8,110,300 units (the “*Units*”) composed of (i) 811 shares of Series X Convertible Preferred Stock, par value \$0.001 per share (the “*Convertible Preferred Stock*”), of the Company (which shall be collectively referred to herein as the “*Shares*”), having the designation, preferences, conversions or other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions as specified in the Certificate of Designation of Preferences, Rights and Limitations of Series X Convertible Preferred Stock filed with the Secretary of State of the State of Delaware on December 27, 2022 (the “*Certificate of Designation*”), as amended by the Amendment to Certificate of Designation of Preferences, Rights and Limitations of Series X Convertible Preferred Stock substantially in the form attached hereto as Exhibit A (the “*Amendment*” and the Certificate of Designation as amended by the Amendment being referred to herein as the “*Amended Certificate of Designation*”), which will be convertible into shares (the “*Conversion Shares*”) of the Company’s common stock, par value \$0.001 per share (the “*Common Stock*”), in accordance with the terms set forth in the Certificate of Designation and subject to certain beneficial ownership limitations, and (ii) warrants, in substantially the form attached hereto as Exhibit B (the “*Warrants*”), to acquire up to that number of additional shares of Convertible Preferred Stock equal to 100% of the number of Shares purchased by Purchaser (rounded down to the nearest whole share). The shares of Convertible Preferred Stock issuable upon exercise of or otherwise pursuant to the Warrants are collectively referred to herein as the “*Warrant Shares*.”

C. The Shares, the Conversion Shares, the Warrants and the Warrant Shares collectively are referred to herein as the “*Securities*.”

D. Prior to the Closing, the Company shall file with the Secretary of State of the State of Delaware the Amendment, duly executed by an officer of the Company.

E. Following the completion of certain contributions and other transactions contemplated by that certain Business Combination Agreement, dated as of December 26, 2022, as amended on March 29, 2023 and August 30, 2023 (the “*Business Combination Agreement*”), among the Company, GNI Group Ltd., a company incorporated under the laws of Japan with limited liability, GNI USA, Inc., a Delaware corporation, GNI Hong Kong Ltd., a company incorporated under the laws of Hong Kong with limited liability, Shanghai Genomics, Inc., a company organized under the laws of the People’s Republic of China, Continent Pharmaceuticals Inc., a Cayman Islands company limited by shares, and certain individuals party thereto (the “*BC Effective Time*”), the Company will be renamed “Gyre Therapeutics, Inc.”

F. NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and Purchaser hereby agree as follows:



ARTICLE I.  
DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms shall have the meanings indicated in this Section 1.1:

“*Affiliate*” means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, Controls, is controlled by or is under common control with such Person, as such terms are used in and construed under Rule 405 under the Securities Act. With respect to Purchaser, any investment fund or managed account that is managed on a discretionary basis by the same investment manager as Purchaser will be deemed to be an Affiliate of Purchaser.

“*Business Day*” means any day except Saturday, Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the States of New York or California are authorized or required by law or other governmental action to close.

“*Closing*” means the closing of the purchase and sale of the Units pursuant to this Agreement.

“*Closing Date*” means the Trading Day when all of the Transaction Documents have been executed and delivered by the applicable parties thereto, and all of the conditions set forth in Sections 2.1, 2.2, 5.1 and 5.2 hereof are satisfied or waived, as the case may be, or such other date as the parties may agree.

“*Common Stock*” has the meaning set forth in the Recitals, and also includes any other class of securities into which the Common Stock may hereafter be reclassified or changed into.

“*Common Stock Equivalents*” means any securities of the Company or any Subsidiary which would entitle the holder thereof to acquire, at any time, Common Stock, including, without limitation, any debt, preferred stock, rights, options, warrants or other instrument that is, at any time, convertible into or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock or other securities that entitle the holder to receive, directly or indirectly, Common Stock.

“*Company Counsel*” means Gibson, Dunn & Crutcher LLP.

“*Control*” (including the terms “controlling,” “controlled by” or “under common control with”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“*Effective Date*” means the earliest of the date that (a) all of the Conversion Shares and the Warrant Shares are covered by an effective Registration Statement, (b) all of the Conversion Shares and the Warrant Shares have been sold pursuant to Rule 144 or may be sold pursuant to Rule 144 without the requirement for the Company to be in compliance with the current public information required under Rule 144 and without volume or manner-of-sale restrictions, (c) is the one year anniversary of the Closing Date; provided, that a holder of Conversion Shares or Warrant Shares is not an Affiliate of the Company, or (d) all of the Conversion Shares and Warrant Shares may be sold pursuant to an exemption from registration under Section 4(a)(1) of the Securities Act without volume or manner-of-sale restrictions and Company Counsel has delivered to such holders a standing written unqualified opinion that resales may then be made by such holders of the Conversion Shares and Warrant Shares pursuant to such exemption which opinion shall be in form and substance reasonably acceptable to such holders.

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

“*Outside Date*” means the thirtieth day following the date of this Agreement.

“*Person*” means an individual, corporation, partnership, limited liability company, trust, business trust, association, joint stock company, joint venture, sole proprietorship, unincorporated organization, governmental authority or any other form of entity not specifically listed herein.

“*Principal Trading Market*” means the Trading Market on which the Common Stock is primarily listed on and quoted for trading, which, as of the date of this Agreement and the Closing Date, is The Nasdaq Capital Market.

“*Registration Statement*” means a registration statement or registration statements of the Company filed under the Securities Act pursuant to Section 4.11 hereof.

“*Rule 144*” means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

“*Short Sales*” include, without limitation, (i) all “short sales” as defined in Rule 200 promulgated under Regulation SHO under the Exchange Act, whether or not against the box, and all types of direct and indirect stock pledges, forward sale contracts, options, puts, calls, short sales, swaps, “put equivalent positions” (as defined in Rule 16a-1(h) under the Exchange Act) and similar arrangements (including on a total return basis), and (ii) sales and other transactions through non-U.S. broker dealers or foreign regulated brokers (but shall not be deemed to include the location and/or reservation of borrowable shares of Common Stock).

“*Staff*” means the staff of the Commission.

“*Subscription Amount*” means \$5,000,000.

“*Subsidiaries*” means the consolidated subsidiaries of the Company.

“*Threshold Amount*” means beneficial ownership of shares of Common Stock in excess of 19.99% of the outstanding shares of Common Stock or the voting power of the Company

“*Trading Day*” means (i) a day on which the Common Stock is listed or quoted and traded on its Principal Trading Market (other than the OTC Bulletin Board), or (ii) if the Common Stock is not listed on a Trading Market (other than the OTC Bulletin Board), a day on which the Common Stock is traded in the over-the-counter market, as reported by the OTC Bulletin Board, or (iii) if the Common Stock is not quoted on any Trading Market, a day on which the Common Stock is quoted in the over-the-counter market as reported in the “pink sheets” by Pink Sheets LLC (or any similar organization or agency succeeding to its functions of reporting prices); *provided*, that in the event that the Common Stock is not listed or quoted as set forth in (i), (ii) and (iii) hereof, then Trading Day shall mean a Business Day.

“*Trading Market*” means whichever of the New York Stock Exchange, the NYSE MKT, the Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market or the OTC Bulletin Board on which the Common Stock is listed or quoted for trading on the date in question.

“*Transaction Documents*” means this Agreement, the schedules and exhibits attached hereto, the Warrants, the Amendment, and any other documents or agreements explicitly contemplated hereunder.

“*Transfer Agent*” means Equiniti Trust Company, LLC, the current transfer agent of the Company, with a mailing address of 6201 15th Avenue, Brooklyn, New York, 11219, or any successor transfer agent for the Company.

“Unit Purchase Price” means \$0.6165 per unit, which unit shall consist of one Share and one Warrant.

ARTICLE II.  
PURCHASE AND SALE

2.1 Closing.

(a) Amount. Subject to the terms and conditions set forth in this Agreement, at the Closing, the Company shall issue and sell to Purchaser, and Purchaser shall purchase from the Company, such number of Units equal to the quotient resulting from dividing (1) the Subscription Amount for Purchaser by (2) the Unit Purchase Price, rounded down to the nearest whole Share, with each Unit consisting of 1/10,000 of a share of Convertible Preferred Stock and a Warrant to purchase a number of Warrant Shares equal to 100% of the number of Conversion Shares underlying the Convertible Preferred Stock in such Unit. Each Warrant shall have an exercise price equal to \$4,915.00 per Warrant Share.

(b) Closing. The Closing of the purchase and sale of the Units shall take place remotely by electronic means on the Closing Date or at such other locations or means as the parties may mutually agree.

(c) Form of Payment; Delivery of the Units At or prior to the Closing Date, Purchaser will pay the Subscription Amount by wire transfer of immediately available funds in accordance with wire instructions provided by the Company to Purchaser prior to the Closing Date. On or before the Closing Date, the Company will instruct its transfer agent to make book-entry notations representing the Shares against delivery of its Subscription Amount. The foregoing notwithstanding, if Purchaser has indicated to the Company at the time of execution of this Agreement a need to settle on a “delivery versus payment” basis, then the Company shall make a book-entry notation reflecting ownership of the Shares whereupon following receipt of such written confirmation from the Company’s transfer agent that a book-entry notation has been made, then Purchaser shall then promptly wire its Subscription Amount as provided in this Article II. The Company shall deliver to Purchaser the Warrants in physical form, free and clear of all restrictive and other legends (except as expressly provided in Section 4.1(b) hereof or in Exhibit B), evidencing the number of Warrants Purchaser is purchasing within three (3) Trading Days after the Closing.

2.2 Closing Deliveries

(a) On or prior to the Closing, the Company shall issue, deliver or cause to be delivered to Purchaser the following (the “*Company Deliverables*”):

(i) this Agreement, duly executed by the Company;

(ii) a PDF copy of the Warrants, executed by the Company and registered in the name of Purchaser, pursuant to which Purchaser shall have the right to acquire such number of Warrant Shares equal to 100% of the number of Conversion Shares issuable to Purchaser, rounded down to the nearest whole share, on the terms set forth therein, with the original Warrants delivered within five (5) Trading Days of Closing;

(iii) duly executed Irrevocable Transfer Agent Instructions instructing the Transfer Agent to deliver a book-entry statement evidencing the Shares registered in the name of Purchaser; and

(iv) a certified copy of the Amendment, as filed with the Secretary of State of the State of Delaware.

- (b) On or prior to the Closing, Purchaser shall deliver or cause to be delivered to the Company the following (the “*Purchaser Deliverables*”):
  - (i) this Agreement, duly executed by Purchaser; and
  - (ii) its Subscription Amount in accordance with Section 2.1(c).

ARTICLE III.  
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. Except as disclosed in the SEC Reports (as defined below), the Company hereby represents and warrants as of the date hereof and the Closing Date (except for the representations and warranties that speak as of a specific date, which shall be made as of such date), to Purchaser:

(a) Subsidiaries. The Company does not own or control, directly or indirectly, any corporation, association or other entity other than the subsidiaries listed in Exhibit 21.1 to the Company’s Annual Report on Form 10-K filed on March 30, 2023, except for subsidiaries that in the aggregate would not constitute a “significant subsidiary” (as defined in Rule 405 under the Securities Act).

(b) Organization and Qualification. The Company and each of its Subsidiaries have been duly organized, are validly existing as corporations or limited liability entities and are in good standing under the laws of their respective jurisdictions of organization, except where the failure to be so duly organized, validly existing and in good standing would not reasonably be expected to have a Material Adverse Effect (as defined below). The Company and each of its Subsidiaries are, and will be, duly licensed or qualified as a foreign corporation for the transaction of business and in good standing under the laws of each other jurisdiction in which their respective ownership or lease of property or the conduct of their respective businesses requires such license or qualification, and have all corporate power and authority necessary to own or hold their respective properties and to conduct their respective businesses as described in the SEC Reports, except where the failure to be so qualified or in good standing or have such power or authority would not, individually or in the aggregate, have a material adverse effect or would reasonably be expected to have a material adverse effect on or affecting the assets, business, operations, earnings, properties, condition (financial or otherwise), prospects, stockholders’ equity or results of operations of the Company and the Subsidiaries taken as a whole, or prevent or materially interfere with the consummation of the transactions contemplated hereby (a “*Material Adverse Effect*”); *provided, however*, that any of the following, either alone or in combination, shall not be deemed a Material Adverse Effect: (i) effects caused by changes or circumstances affecting general market conditions in the U.S. economy or which are generally applicable to the industry in which the Company operates, *provided* that such effects are not borne disproportionately by the Company, (ii) effects resulting from or relating to the announcement or disclosure of the sale of the Securities or other transactions contemplated by the Transaction Documents or the Business Combination Agreement, or (iii) effects caused by any event, occurrence or condition resulting from or relating to the taking of any action in accordance with the Transaction Documents or the Business Combination Agreement.

(c) Authorization. The Company has all requisite corporate power and authority to execute, deliver and perform its obligations contemplated by each of the Transaction Documents to which it is a party. Each of the Transaction Documents to which the Company is a party has been duly and validly authorized, executed and delivered by the Company.

(d) No Conflicts. The issue and sale of the Units and the reservation for issuance and issuance of the Conversion Shares and the Warrant Shares, the execution, delivery and performance of the Transaction Documents to which the Company is a party and the consummation of the transactions contemplated by the Transaction Documents will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, impose any lien, charge or encumbrance upon any property or assets of the Company and its Subsidiaries, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement, license, lease or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its Subsidiaries is bound or to which any of the property or assets of the Company or any of its Subsidiaries is subject; (ii) result in any violation of the provisions of the certificate of incorporation, charter or bylaws (or similar organizational documents) of the Company or any of its Subsidiaries; or (iii) result in any violation of any statute or any judgment, order, decree, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its Subsidiaries or any of their properties or assets, except, with respect to clauses (i) and (iii), for such conflicts, breaches, violations, liens, charges, encumbrances or defaults that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(e) Filings, Consents and Approvals. No consent, approval, authorization or order of, or filing, registration or qualification with, any court or governmental agency or body having jurisdiction over the Company or any of its Subsidiaries or any of their respective properties or assets is required for the issue and sale of the Securities, the execution, delivery and performance by the Company of the Transaction Documents to which the Company is a party, and the consummation of the transactions contemplated by the Transaction Documents, except for (i) such consents, approvals, authorizations, orders, filings, registrations or qualifications as may be required under the Exchange Act, (ii) the filing (x) with the Commission of one or more Registration Statements in accordance with the requirements of Section 4.11 and (y) with the Delaware Secretary of State of the Amendment, (iii) filings required by applicable state or foreign securities laws, (iv) the filing of a Notice of Sale of Securities on Form D with the Commission under Regulation D of the Securities Act, (v) the filing of any requisite notices and/or application(s) to the Principal Trading Market for the issuance and sale of the Securities and the listing of the Conversion Shares and the Warrant Shares for trading or quotation, as the case may be, thereon in the time and manner required thereby, (vi) the filings required in accordance with Section 4.5 and (vii) those that have been made or obtained prior to the date of this Agreement (collectively, the “*Required Approvals*”).

(f) Issuance of the Securities. The Shares have been duly authorized and, when issued and paid for in accordance with the terms of the Transaction Documents, will be duly authorized and validly issued, fully paid and nonassessable and free and clear of all liens, other than restrictions on transfer provided for in the Transaction Documents or imposed by applicable securities laws, and shall not be subject to preemptive or similar rights. The Warrants have been duly authorized and, when issued and paid for in accordance with the terms of the Transaction Documents, will be duly authorized and validly issued, free and clear of all liens, other than restrictions on transfer provided for in the Transaction Documents or imposed by applicable securities laws, and shall not be subject to preemptive or similar rights. The Warrant Shares issuable upon exercise of the Warrants have been duly authorized and, when issued and paid for in accordance with the terms of the Transaction Documents and the Warrants, will be duly authorized and validly issued, fully paid and nonassessable, free and clear of all liens, other than restrictions on transfer provided for in the Transaction Documents or imposed by applicable securities laws, and shall not be subject to preemptive or similar rights. The Conversion Shares, when issued in accordance with the terms of the Amended Certificate of Designation, will be duly authorized, validly issued, fully paid and non-assessable, and shall be free and clear of any encumbrances, preemptive rights or restrictions (other than as provided in this Agreement or any restrictions on transfer generally imposed under applicable securities laws). Assuming the accuracy of the representations and warranties of Purchaser in this Agreement, the Securities will be issued in compliance with all applicable federal and state securities laws. As of the Closing Date, the Company shall have reserved from its duly authorized capital stock the number of shares of (i) Common Stock issuable upon exercise of the Warrants (without taking into account any limitations on the exercise of the Warrants set forth in the Warrants) and (ii) Common Stock issuable upon conversion of the Convertible Preferred Stock (without taking into account any limitations on the conversion of the Convertible Preferred Stock set forth in the Amended Certificate of Designation). The Company shall, so long as any of the Warrants or Convertible Preferred Stock are outstanding, take all action necessary to reserve and keep available out of its authorized and unissued capital stock, solely for the purpose of effecting the exercise of the Warrants and the conversion of the Convertible Preferred Stock, respectively, the number of shares of Common Stock issuable upon exercise of the Warrants (without taking into account any limitations on the exercise of the Warrants set forth in the Warrants) and issuable upon conversion of the Convertible Preferred Stock (without taking into account any limitations on the conversion of the Convertible Preferred Stock set forth in the Amended Certificate of Designation), respectively.

(g) Capitalization. On a post-reverse stock split basis, which will be effected on October 30, 2023, the authorized capital of the Company will consist of 400,000,000 shares of Common Stock, 2,531,876 of which were issued and outstanding as of September 30, 2023, and 5,000,000 shares of preferred stock, par value \$0.001 per share, 12,340 of which were issued and outstanding as of September 30, 2023. Under the Company's Plans (as defined below) (i) options to acquire 549,796 shares of Common Stock have been granted and were outstanding as of September 30, 2023, and (ii) 1,701,457 shares of Common Stock remain available for future issuance as of September 30, 2023 to directors, executive officers, employees and consultants of the Company pursuant to the Company's 2018 Employee Stock Purchase Plan (the "*2018 Plan*"). Since September 30, 2023, the Company has not issued any equity securities, other than those issued pursuant to the 2018 Plan and any of the Company's other equity incentive plans disclosed in the SEC Reports (including employee stock purchase plans and any inducement equity plans or awards established in compliance with Nasdaq Marketplace Rules) (collectively, together with the 2018 Plan, the "*Plans*") and except as permitted or contemplated by the Business Combination Agreement. Except as set forth in the SEC Reports and as contemplated by the Business Combination Agreement, and other than the shares of Common Stock reserved for issuance under the 2018 Plan, there are no outstanding options, rights (including conversion or preemptive rights and rights of first refusal), proxy or shareholder agreements, or agreements of any kind for the purchase or acquisition from the Company of any of its securities. The Company has an authorized capitalization as set forth in the SEC Reports, and all of the issued shares of the Company have been duly authorized and validly issued, are fully paid and non-assessable, conform in all material respects to the description thereof contained in the SEC Reports and were not issued in violation of any preemptive right, resale right, right of first refusal or similar right. All of the Company's options, warrants and other rights to purchase or exchange any securities for shares of the Company's capital stock have been duly authorized and validly issued, and conform in all material respects to the description thereof contained in the SEC Reports. All of the issued shares of capital stock or other ownership interests of each Subsidiary of the Company have been duly authorized and validly issued, are fully paid and non-assessable and are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, except for such liens, encumbrances, equities or claims as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No Person is entitled to preemptive rights, rights of first refusal, rights of participation or similar rights with respect to any securities of the Company, including with respect to the issuance of Shares contemplated hereby. Except as set forth in the SEC Reports, there are no voting agreements, registration rights agreements or other agreements of any kind between the Company and any other Person relating to the securities of the Company, including the Shares, the Conversion Shares, the Warrants and the Warrant Shares.

(h) SEC Reports. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by it under the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the two years preceding the date hereof (or such shorter period as the Company was required by law or regulation to file such material) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, the Definitive Proxy Statement on Schedule 14A and the Registration Statements on Form S-3 filed by the Company under the Securities Act being collectively referred to herein as the "*SEC Reports*") on a timely basis or has received a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension, except where the failure to file on a timely basis would not have or reasonably be expected to result in a Material Adverse Effect (including, for this purpose only, any failure to qualify to register the Conversion Shares and the Warrant Shares for resale on Form S-3 or which would prevent Purchaser from using Rule 144 to resell any Securities). As of their respective filing dates, or to the extent corrected by a subsequent restatement, the SEC Reports complied in all material respects with the requirements of the Securities Act and the Exchange Act and the rules and regulations of the Commission promulgated thereunder, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The Company has never been an issuer subject to Rule 144(i) under the Securities Act.

(i) Private Placement. Assuming the accuracy of Purchaser's representations and warranties set forth in Section 3.2, no registration under the Securities Act is required for the offer and sale of the Units by the Company to Purchaser under the Transaction Documents. Assuming the making and the obtaining of the Required Approvals, the issuance and sale of the Securities hereunder does not contravene the rules and regulations of the Trading Market.

(j) Investment Company. The Company is not, and will not be, after giving effect to the offer and sale of the Units, (i) required to register as an "investment company" (within the meaning of the Investment Company Act of 1940, as amended (the "*Investment Company Act*")) or (ii) a "business development company" (as defined in Section 2(a)(48) of the Investment Company Act).

(k) No General Solicitation. The Company has not offered or sold any of the Units by any form of general solicitation or general advertising.

(l) Acknowledgment Regarding Purchaser's Purchase of Securities. The Company acknowledges and agrees that Purchaser is acting solely in the capacity of an arm's length purchaser with respect to the Transaction Documents and the transactions contemplated hereby and thereby. The Company further acknowledges that Purchaser is not acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated thereby and any advice given by Purchaser or any of its representatives or agents in connection with the Transaction Documents and the transactions contemplated thereby is merely incidental to Purchaser's purchase of the Securities. The Company further represents to Purchaser that the Company's decision to enter into this Agreement and the other Transaction Documents has been based solely on the independent evaluation of the transactions contemplated hereby by the Company and its representatives.

3.2 Representations and Warranties of Purchaser. Purchaser hereby represents and warrants as of the date hereof and as of the Closing Date to the Company as follows:

(a) Organization; Authority. Purchaser is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with the requisite corporate power and authority to enter into and to consummate the transactions contemplated by the applicable Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement by Purchaser and performance by Purchaser of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of Purchaser. Each Transaction Document to which it is a party has been duly executed by Purchaser, and when delivered by Purchaser in accordance with the terms hereof, will constitute the valid and legally binding obligation of Purchaser, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application.

(b) No Conflicts. The execution, delivery and performance by Purchaser of this Agreement and the consummation by Purchaser of the transactions contemplated hereby and thereby will not (i) result in a violation of the organizational documents of Purchaser, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which Purchaser is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws) applicable to Purchaser, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of Purchaser to perform its obligations hereunder.

(c) Investment Intent. Purchaser has independently evaluated the merits of its decision to purchase the Units pursuant to the Transaction Documents. Purchaser understands that the Securities are “restricted securities” and have not been registered under the Securities Act or any applicable state securities law and is acquiring the Units and, upon exercise of the Warrants, will acquire the Warrant Shares issuable upon exercise thereof, and, upon conversion of the Convertible Preferred Stock, will acquire the Conversion Shares issuable upon the conversion thereof, as principal for its own account and not with a view to, or for distributing or reselling such Securities or any part thereof in violation of the Securities Act or any applicable state securities laws, *provided, however*, that by making the representations herein, Purchaser does not agree to hold any of the Units for any minimum period of time and reserves the right, subject to the provisions of this Agreement, at all times to sell or otherwise dispose of all or any part of such Securities pursuant to an effective registration statement under the Securities Act or under an exemption from such registration and in compliance with applicable federal and state securities laws. Purchaser is acquiring the Securities hereunder in the ordinary course of its business. Purchaser does not presently have any agreement, plan or understanding, directly or indirectly, with any Person to distribute or effect any distribution of any of the Securities (or any securities which are derivatives thereof) to or through any person or entity; Purchaser is not a registered broker-dealer under Section 15 of the Exchange Act or an entity engaged in a business that would require it to be so registered as a broker-dealer.

(d) Purchaser Status. At the time Purchaser was offered the Units, it was, and at the date hereof it is, and on each date on which it exercises the Warrants and on each date on which it converts the Convertible Preferred Stock, it will be, an “accredited investor” as defined in Rule 501(a) under the Securities Act.

(e) General Solicitation. Purchaser is not purchasing the Units as a result of any advertisement, article, notice or other communication regarding the Units published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general advertisement.

(f) Experience of Purchaser. Purchaser, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Units, and has so evaluated the merits and risks of such investment. Purchaser is able to bear the economic risk of an investment in the Units and, at the present time, is able to afford a complete loss of such investment.

(g) Acknowledgment of Risks.

(i) Purchaser acknowledges and understands that its investment in the Units involves a significant degree of risk, including, without limitation: (i) the Company remains a development stage business and requires substantial funds in addition to the proceeds from the sale of the Units; (ii) an investment in the Company is speculative, and only purchasers who can afford the loss of their entire investment should consider investing in the Company and the Units; (iii) Purchaser may not be able to liquidate its investment; (iv) transferability of the Units is extremely limited; (v) in the event of a disposition of the Securities, Purchaser could sustain the loss of its entire investment; and (vi) the Company does not anticipate the payment of dividends in the foreseeable future. Such risks are more fully set forth in the public filings made by the Company with the Commission;



(ii) Purchaser is able to bear the economic risk of holding the Securities for an indefinite period, and has knowledge and experience in financial and business matters such that it is capable of evaluating the risks of the investment in the Units;

(iii) Purchaser has, in connection with Purchaser's decision to purchase Units, not relied upon any representations or other information (whether oral or written) other than as set forth in the representations and warranties of the Company contained herein, and Purchaser has, with respect to all matters relating to the Transaction Documents and the offer and sale of the Units, relied solely upon the advice of Purchaser's own counsel and has not relied upon or consulted any counsel to the Company; and

(iv) Purchaser acknowledges that the Company is entering into this Agreement with Purchaser in reliance on Purchaser's understanding, acknowledgment and agreement that the Company is privy to material non-public information regarding the Company (collectively, the "*Non-Public Information*"), which Non-Public Information may be material to a reasonable investor, such as Purchaser, when making investment decisions, including the decision to enter into this Agreement. Purchaser's decision to enter into this Agreement is being made with full recognition and acknowledgment that the Company is privy to the Non-Public Information, irrespective of whether such Non-Public Information has been provided to Purchaser. Purchaser hereby waives any claim, or potential claim, it has or may have against the Company relating to the Company's possession of Non-Public Information.

(h) Beneficial Ownership. The purchase by Purchaser of the Units issuable to it at the Closing will not (either with or without aggregating such Securities with the Warrant Shares for which Purchaser's Warrants are exercisable and the Conversion Shares for which Purchaser's Convertible Preferred Stock are convertible) result in Purchaser (individually or together with any other Person with whom Purchaser has identified, or will have identified, itself as part of a "group" in a public filing made with the Commission involving the Company's securities) (when added to any other securities of the Company that it or they then own or have the right to acquire) acquiring, or obtaining the right to acquire, in excess of the Threshold Amount on a post transaction basis that assumes that such Closing shall have occurred. Purchaser does not presently intend to, alone or together with others, make a public filing with the Commission to disclose that it has (or that it together with such other Persons have) acquired, or obtained the right to acquire, as a result of such Closing (when added to any other securities of the Company that it or they then own or have the right to acquire), in excess of the Threshold Amount on a post transaction basis that assumes that each Closing shall have occurred.

(i) Access to Information. Purchaser has been given access to Company documents, records, and other information, and has had adequate opportunity to ask questions of, and receive answers from, the Company's officers, employees, agents, accountants and representatives concerning the Company's business, operations, financial condition, assets, liabilities and all other matters relevant to its investment in the Securities. Purchaser has reviewed the SEC Reports, which serve to qualify certain of the Company representations set forth above.

The Company and Purchaser acknowledge and agree that neither party to this Agreement has made or makes any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in this Article III and the Transaction Documents.

ARTICLE IV.  
OTHER AGREEMENTS OF THE PARTIES

4.1 Transfer Restrictions.

(a) Compliance with Laws. Notwithstanding any other provision of this Article IV, Purchaser covenants that the Securities may be disposed of only pursuant to an effective registration statement under, and in compliance with the requirements of, the Securities Act, or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and in compliance with any applicable state and federal securities laws. In connection with any transfer of the Securities other than (i) pursuant to an effective registration statement, (ii) to the Company, (iii) pursuant to Rule 144 (*provided that* Purchaser provides the Company with reasonable assurances (in the form of seller and, if applicable, broker representation letters) that the securities may be sold pursuant to such rule) or (iv) in connection with a bona fide pledge, as contemplated in Section 4.1(b), the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Securities under the Securities Act or applicable state securities law. As a condition of transfer, any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights and obligations of Purchaser under this Agreement with respect to such transferred Securities.

(b) Legends. Any certificates or book-entry notations shall bear any legend as required by the “blue sky” laws of any state and a restrictive legend in substantially the following form, until such time as they are not required under Section 4.1(c):

THE OFFER AND SALE OF THESE SECURITIES AND THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, ASSIGNED OR OTHERWISE DISPOSED OF (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR (B) AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN EACH CASE IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS OR BLUE SKY LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER THE SECURITIES ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES; PROVIDED, THAT IN CONNECTION WITH ANY FORECLOSURE OR TRANSFER OF THE SECURITIES, THE TRANSFEROR SHALL COMPLY WITH THE PROVISIONS HEREIN, IN THE SECURITIES PURCHASE AGREEMENT, AND UPON FORECLOSURE OR TRANSFER OF THE SECURITIES, SUCH FORECLOSING PERSON OR TRANSFEREE SHALL COMPLY WITH ALL PROVISIONS CONTAINED HEREIN, IN THE SECURITIES PURCHASE AGREEMENT.

The Company acknowledges and agrees that Purchaser may from time to time pledge, and/or grant a security interest in, some or all of the legended Securities in connection with applicable securities laws, pursuant to a bona fide margin agreement in compliance with a bona fide margin loan. Such a pledge would not be subject to approval or consent of the Company and no legal opinion of legal counsel to the pledgee, secured party or pledgor shall be required in connection with the pledge, but such legal opinion shall be required in connection with a subsequent transfer or foreclosure following default by Purchaser transferee of the pledge. No notice shall be required of such pledge, but Purchaser shall promptly notify the Company of any such subsequent transfer or foreclosure. Purchaser acknowledges that the Company shall not be responsible for any pledges relating to, or the grant of any security interest in, any of the Securities or for any agreement, understanding or arrangement between Purchaser and its pledgee or secured party. At Purchaser’s expense, the Company will execute and deliver such reasonable documentation as Purchaser may reasonably request in connection with a pledge or transfer of the Securities, including the preparation and filing of any required prospectus supplement under Rule 424(b)(3) of the Securities Act or other applicable provision of the Securities Act to appropriately amend the list of selling stockholders thereunder. Purchaser acknowledges and agrees that, except as otherwise provided in Section 4.1(c), any Securities subject to a pledge or security interest as contemplated by this Section 4.1(b) shall continue to bear the legend set forth in this Section 4.1(b) and be subject to the restrictions on transfer set forth in Section 4.1(a).

(c) Removal of Legends. The legend set forth in Section 4.1(b) above shall be removed and the Company shall issue a book-entry notation (or certificate, as applicable) to such holder or issue to such holder by electronic delivery at the applicable balance account at The Depository Trust Company (“DTC”), if (j) such Securities are registered for resale under the Securities Act (*provided* that, if Purchaser is selling pursuant to the effective registration statement registering the Securities for resale, Purchaser hereby agrees to only sell such Securities during such time that such registration statement is effective and not withdrawn or suspended, and only as permitted by such registration statement), (ii) such Securities are sold or transferred pursuant to Rule 144 (if the transferor is not an Affiliate of the Company and assuming cashless exercise of the Warrants), or (iii) such Securities are eligible for sale under Rule 144, without the requirement for the Company to be in compliance with the current public information required under Rule 144 as to such Securities and without volume or manner-of-sale restrictions (assuming cashless exercise of the Warrants). Following the earlier of (i) the Effective Date and (ii) Rule 144 becoming available for the resale of Securities, without the requirement for the Company to be in compliance with the current public information required under Rule 144 as to such Securities and without volume or manner-of-sale restrictions, the Company shall cause Company Counsel to issue to the Transfer Agent a legal opinion. Any fees (with respect to the Transfer Agent, Company Counsel or otherwise) associated with the issuance of such opinion or the removal of such legend shall be borne by the Company. Following the Effective Date, or at such earlier time as a legend is no longer required for certain Securities, the Company will promptly following the delivery by Purchaser to the Company (with written notice to the Company) of (i) a book-entry notation representing Shares, Conversion Shares or Warrant Shares (endorsed or with stock powers attached, signatures guaranteed, and otherwise in the form necessary to affect the reissuance and/or transfer) and an opinion of counsel to the extent required by Section 4.1(a), or (ii) an Exercise Notice (as defined in the Warrants) in the manner stated in the Warrants to effect the exercise of such Warrant in accordance with its terms, deliver or cause to be delivered to Purchaser a book-entry notation free from all restrictive and other legends. The Company may not make any notation on its records or give instructions to the Transfer Agent that enlarge the restrictions on transfer set forth in this Section 4.1(c). Book-entry notations subject to legend removal hereunder may be transmitted by the Transfer Agent to Purchaser by crediting the account of Purchaser’s prime broker with DTC as directed by Purchaser.

(d) Irrevocable Transfer Agent Instructions. The Company shall issue irrevocable instructions to its transfer agent and any subsequent transfer agent to issue to Purchaser (or in such nominee’s name(s) as designated by Purchaser) book-entry notations representing the Shares set forth under “Number of Shares to be Acquired” on the signature pages hereto (the “*Irrevocable Transfer Agent Instructions*”). The Company represents and warrants that no instruction other than the Irrevocable Transfer Agent Instructions referred to in this Section 4.1(d) (or instructions that are consistent therewith) will be given by the Company to the Transfer Agent in connection with this Agreement (other than those instructions contemplated in Section 2.2(a)(iii)) and that the Securities shall otherwise be freely transferable on the books and records of the Company as and to the extent provided in this Agreement and the other Transaction Documents and applicable law. The Company acknowledges that a breach by it of its obligations under this Section 4.1(d) will cause irreparable harm to Purchaser. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Section 4.1(d) will be inadequate and agrees, in the event of a breach by the Company of the provisions of this Section 4.1(d), that Purchaser shall be entitled, in addition to all other available remedies, to an order and/or injunction restraining any breach and requiring immediate issuance and transfer, without the necessity of showing economic loss and without any bond or other security being required.

4.2 Reservation of Common Stock. The Company shall take all action necessary to at all times have authorized, and reserved for the purpose of issuance from and after the Closing Date, the number of shares of Common Stock (i) issuable upon exercise of the Warrants issued at the Closing (without taking into account any limitations on exercise of the Warrants set forth in the Warrants) and (ii) issuable upon the conversion of the Convertible Preferred Stock issued at the Closing (without taking into account any limitations on the conversion of the Convertible Preferred Stock set forth in the Amended Certificate of Designation).

4.3 Furnishing of Information. In order to enable Purchaser to sell the Securities under Rule 144, for a period of twelve (12) months from the Closing, the Company shall use its commercially reasonable efforts to timely file (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof pursuant to the Exchange Act. During such twelve (12) month period, if the Company is not required to file reports pursuant to the Exchange Act, it will prepare and furnish to Purchaser and make publicly available in accordance with Rule 144(c) such information as is required for Purchaser to sell the Securities under Rule 144.

4.4 Integration. The Company shall not, and shall use its commercially reasonable efforts to ensure that no Affiliate of the Company shall, sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that will be integrated with the offer or sale of the Securities in a manner that would require the registration under the Securities Act of the sale of the Securities to Purchaser, or that will be integrated with the offer or sale of the Securities for purposes of the rules and regulations of any Trading Market such that it would require stockholder approval prior to the closing of such other transaction unless stockholder approval is obtained before the closing of such subsequent transaction.

4.5 Securities Laws Disclosure; Publicity. Within four Business Days from the date hereof, the Company will file a Current Report on Form 8-K with the Commission, describing the terms of the Transaction Documents (and including as exhibits to such Current Report on Form 8-K the material Transaction Documents (including, without limitation, this Agreement, the Amendment and the form of Warrant)). Purchaser covenants that until such time as the transactions contemplated by this Agreement are required to be publicly disclosed by the Company as described in this Section 4.5, Purchaser will maintain the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction). Subject to the foregoing, neither the Company nor Purchaser shall issue any press releases or any other public statements with respect to the transactions contemplated hereby; provided, however, that the Company shall be entitled, without the prior approval of Purchaser, to make any press release or other public disclosure as is required by applicable law and regulations.

4.6 Principal Trading Market Listing. In the time and manner required by the Principal Trading Market, the Company prepared and filed with such Principal Trading Market an additional shares listing application covering all of the Shares, the Conversion Shares and the Warrant Shares and shall use its commercially reasonable efforts to take all steps necessary to cause all of the Shares, the Conversion Shares and the Warrant Shares to be approved for listing on the Principal Trading Market as promptly as possible thereafter.

4.7 Form D; Blue Sky. The Company agrees to timely file a Form D with respect to the Securities as required under Regulation D. The Company, on or before the Closing Date, shall take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for or to qualify the Securities for sale to Purchaser under applicable securities or "Blue Sky" laws of the states of the United States (or to obtain an exemption from such qualification).

4.8 Delivery of Shares and Warrants After Closing. Subject to the satisfaction of Purchaser's obligations under the Transaction Documents, the Company shall deliver, or cause to be delivered, a book-entry statement evidencing the Shares within one Trading Day after the Closing and physical Warrants purchased by Purchaser to Purchaser within three Trading Days of the Closing Date.

4.9 Short Sales and Confidentiality After The Date Hereof. Purchaser shall not, and shall cause its Trading Affiliates not to, engage, directly or indirectly, in any transactions in the Company's securities (including, without limitation, any Short Sales involving the Company's securities) during the period from the date hereof until the earlier of such time as (i) the transactions contemplated by this Agreement are first publicly announced as required by and described in Section 4.5 and (ii) this Agreement is terminated in full pursuant to Section 6.9. Purchaser covenants that until such time as the transactions contemplated by this Agreement are publicly disclosed by the Company as described in Section 4.5, Purchaser will maintain the confidentiality of the existence and terms of this transaction and the information included in the Transaction Documents. Notwithstanding the foregoing, Purchaser does not make any representation, warranty or covenant hereby that it will not engage in Short Sales in the securities of the Company after the time that the transactions contemplated by this Agreement are first publicly announced as described in Section 4.5; *provided, however*, Purchaser agrees that it will not enter into any Net Short Sales (as hereinafter defined) from the period commencing on the Closing Date and ending on the earliest of (x) the Effective Date of the initial Registration Statement, (y) the twelve (12) month anniversary of the Closing Date and (z) the date that Purchaser no longer holds any Securities. For purposes of this Section 4.9, a "Net Short Sale" by Purchaser shall mean a sale of Common Stock by Purchaser that is marked as a short sale and that is made at a time when there is no equivalent offsetting long position in Common Stock held by Purchaser. For purposes of determining whether there is an equivalent offsetting position in Common Stock held by Purchaser, Warrant Shares that have not yet been issued pursuant to the exercise of Warrants shall be deemed to be held long by Purchaser, and the amount of shares of Common Stock held in a long position shall be all Shares and unexercised Warrant Shares (ignoring any exercise limitations included therein) issuable to Purchaser on such date, plus any shares of Common Stock or Common Stock Equivalents otherwise then held by Purchaser. Moreover, notwithstanding the foregoing, in the event that Purchaser has sold Securities pursuant to Rule 144 prior to the Effective Date of the initial Registration Statement and the Company has failed to issue Securities without legends prior to the settlement date for such sale (assuming that such Securities meet the requirements set forth in Section 4.1(c) for the removal of legends), the provisions of this Section 4.9 shall not prohibit Purchaser from entering into Net Short Sales for the purpose of delivering shares of Common Stock in settlement of such sale. Purchaser understands and acknowledges that the Commission currently takes the position that covering a short position established prior to effectiveness of a resale registration statement with shares included in such registration statement would be a violation of Section 5 of the Securities Act, as set forth in Item 65, Section 5 under Section A, of the Manual of Publicly Available Telephone Interpretations, dated July 1997, compiled by the Office of Chief Counsel, Division of Corporation Finance.

4.10 Conversion and Exercise Procedures. The form of Notice of Conversion included in the Amended Certificate of Designation sets forth the totality of the procedures required of Purchaser in order to convert the Shares. Without limiting the preceding sentence, no ink-original Notice of Conversion shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Conversion form be required in order for the registered holder thereof to convert the Shares. No additional legal opinion, other information or instructions shall be required of Purchaser to convert its Shares. The Company shall honor conversions of the Shares and shall deliver Conversion Shares in accordance with the terms, conditions and time periods set forth in the Transaction Documents.

#### 4.11 Registration Rights of Purchaser.

(a) Mandatory Registration. As promptly as practicable following the date hereof, the Company shall file with the SEC an amendment to the registration statement on Form S-3 (File No. 333-273395) or a registration statement on Form S-3 or similar short form registration statement that may be available at such time or its successor form, or, if the Company is ineligible to use Form S-3, a registration statement on Form S-1, for an offering to be made on a continuous basis pursuant to Rule 415 of the Securities Act registering the resale of the Conversion Shares and the Warrant Shares from time to time pursuant to any method or combination of methods legally available to, and requested by, Purchaser then held by such holder that are not then covered by an effective resale registration statement (the "Registration Statement"). The Company will advise Purchaser promptly after it receives oral or written notice thereof of the time when the Registration Statement has become effective or any amendment or supplement thereto has been filed, the issuance of any stop order, the suspension of the qualification of the Common Stock registered on the Registration Statement for offering or sale in any jurisdiction or any oral or written request by the SEC for amendment of the Registration Statement or comments thereon and responses thereto or requests by the SEC for additional information, and will promptly provide the other with copies of any written communication from the SEC or any state securities commission and a reasonable opportunity to participate in the responses thereto. The Company shall use its reasonable best efforts to have the Registration Statement declared effective by the SEC under the Securities Act as promptly as practicable after such filing and to keep the Registration Statement effective until all Securities covered by the Registration Statement are sold in accordance with the intended plan of distribution set forth in the Registration Statement or supplement to the prospectus or such Securities have been withdrawn. The Company shall also take any action (other than qualifying to do business in any jurisdiction in which it is not now so qualified or filing a general consent to service of process) required to be taken under any applicable state securities or "blue sky" laws in connection with the registration of the Common Stock and Purchaser shall furnish all information concerning Purchaser as may be reasonably requested in connection with any such action.

(b) Rule 415; Cutback. If at any time the Staff takes the position that the offering of some or all of the Securities in a Registration Statement is not eligible to be made on a delayed or continuous basis under the provisions of Rule 415 under the Securities Act or requires Purchaser to be named as an "underwriter," the Company shall use its reasonable best efforts to persuade the Commission that the offering contemplated by the Registration Statement is a valid secondary offering and not an offering "by or on behalf of the issuer" as defined in Rule 415 and that Purchaser is not an "underwriter." In the event that, despite the Company's reasonable best efforts and compliance with the terms of this Section 4.11(b), the Staff refuses to alter its position, the Company shall (i) remove from the Registration Statement such portion of the Securities (the "Cut Back Shares") and/or (ii) agree to such restrictions and limitations on the registration and resale of the Securities as the Staff may require to assure the Company's compliance with the requirements of Rule 415 (collectively, the "SEC Restrictions"); *provided, however*, that the Company shall not agree to name Purchaser as an "underwriter" in such Registration Statement without the prior written consent of Purchaser. No liquidated damages shall accrue as to any Cut Back Shares until such date as the Company is able to effect the registration of such Cut Back Shares in accordance with any SEC Restrictions (such date, the "Restriction Termination Date" of such Cut Back Shares). From and after the Restriction Termination Date applicable to any Cut Back Shares, all of the provisions of this Section 4.11 (including the liquidated damages provisions) shall again be applicable to such Cut Back Shares *provided, however*, that (x) the "Filing Deadline" for the Registration Statement including such Cut Back Shares shall be ten Business Days after such Restriction Termination Date, and (y) the "Effectiveness Deadline" with respect to such Cut Back Shares shall be the ninetieth (90<sup>th</sup>) day immediately after the Restriction Termination Date or the one hundred and twentieth (120<sup>th</sup>) day if the Staff reviews such Registration Statement (but in any event no later than three (3) Business Days from the Staff indicating it has no further comments on such Registration Statement).

(c) Related Obligations. At such time as the Company is obligated to file a Registration Statement with the Commission pursuant to Section 4.11(a) hereof, the Company will use reasonable best efforts to effect the registration of the Securities in accordance with the intended method of disposition thereof.

ARTICLE V.  
CONDITIONS PRECEDENT TO CLOSING

5.1 Conditions Precedent to the Obligations of Purchaser to Purchase Securities The obligation of Purchaser to acquire the Units at the Closing is subject to the fulfillment to Purchaser's satisfaction, on or prior to the Closing Date, of each of the following conditions, any of which may be waived by Purchaser:

(a) Representations and Warranties. The representations and warranties of the Company contained herein shall be true and correct in all material respects (except for those representations and warranties which are qualified as to materiality or Material Adverse Effect, in which case such representations and warranties shall be true and correct in all respects) as of the date when made and as of the Closing Date, as though made on and as of such date, except for such representations and warranties that speak as of a specific date.

(b) Performance. The Company shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by it at or prior to the Closing.

(c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents.

(d) Consents. The Company shall have obtained in a timely fashion any and all consents, permits, approvals, registrations and waivers necessary for consummation of the purchase and sale of the Securities (including all Required Approvals), all of which shall be and remain so long as necessary in full force and effect.

(e) Adverse Changes. Since the date hereof, no event or series of events shall have occurred that has had or would reasonably be expected to have a Material Adverse Effect.

(f) Listing. The Nasdaq Capital Market shall have approved the listing of additional shares application for the Shares, the Conversion Shares and the Warrant Shares.

(g) No Suspensions of Trading in Common Stock. The Common Stock shall not have been suspended, as of the Closing Date, by the Commission or the Principal Trading Market from trading on the Principal Trading Market nor shall suspension by the Commission or the Principal Trading Market have been threatened, as of the Closing Date, either (A) in writing by the Commission or the Principal Trading Market or (B) by falling below the minimum listing maintenance requirements of the Principal Trading Market.

(h) Company Deliverables. The Company shall have delivered the Company Deliverables in accordance with Section 2.2(a).

(i) Termination. This Agreement shall not have been terminated as to Purchaser in accordance with Section 6.9 herein.

5.2 Conditions Precedent to the Obligations of the Company to sell Securities The Company's obligation to sell and issue the Units at the Closing to Purchaser is subject to the fulfillment to the satisfaction of the Company on or prior to the Closing Date of the following conditions, any of which may be waived by the Company:

- (a) Representations and Warranties. The representations and warranties made by Purchaser contained herein shall be true and correct in all material respects (except for those representations and warranties which are qualified as to materiality, in which case such representations and warranties shall be true and correct in all respects) as of the date when made, and as of the Closing Date as though made on and as of such date, except for representations and warranties that speak as of a specific date.
- (b) Performance. Purchaser shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by Purchaser at or prior to the Closing Date.
- (c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents.
- (d) Consents. The Company shall have obtained in a timely fashion any and all consents, permits, approvals, registrations and waivers necessary for consummation of the purchase and sale of the Securities (including all Required Approvals), all of which shall be and remain so long as necessary in full force and effect.
- (e) Purchaser Deliverables. Purchaser shall have delivered its Purchaser Deliverables in accordance with Section 2.2(b).
- (f) Listing. The Nasdaq Capital Market shall have approved the listing of additional shares application for the Shares, the Conversion Shares and the Warrant Shares.
- (g) Termination. This Agreement shall not have been terminated as to Purchaser in accordance with Section 6.9 herein.

ARTICLE VI.  
MISCELLANEOUS

6.1 Fees and Expenses. The Company and Purchaser shall each pay the fees and expenses of their respective advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party in connection with the negotiation, preparation, execution, delivery and performance of this Agreement. The Company shall pay all Transfer Agent fees, stamp taxes and other taxes and duties levied in connection with the sale and issuance of the Securities to Purchaser; *provided*, that pursuant to Section 6 of the Warrants, the Company shall not be required to pay any tax that may be payable in respect of any transfer involved in the registration of Warrant Shares or the Warrants in a name other than that of Purchaser or an Affiliate thereof.

6.2 Entire Agreement. The Transaction Documents, together with the exhibits and schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements, understandings, discussions and representations, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules. At or after the Closing, and without further consideration, the Company and Purchaser will execute and deliver to the other such further documents as may be reasonably requested in order to give practical effect to the intention of the parties under the Transaction Documents.

6.3 Notices. All notices and other communications hereunder shall be in writing and shall be deemed duly given (a) on the date of delivery if delivered personally, or if by facsimile or e mail, upon written confirmation of receipt by facsimile, e mail or otherwise, (b) on the first Business Day following the date of dispatch if delivered utilizing a next-day service by a recognized next-day courier or (c) on the earlier of confirmed receipt or the fifth Business Day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered to the addresses set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:



If to the Company: Prior to the BC Effective Time:  
Catalyst Biosciences, Inc.  
12730 High Bluff Drive, Suite 250  
San Diego, CA 92130  
Attention: Nassim Usman, Ph.D.  
E-mail: [nusman@catbio.com](mailto:nusman@catbio.com)

Gyre Therapeutics, Inc.  
12770 High Bluff Drive, Suite 150  
San Diego, CA 92130  
Attention: Charles Wu, Ph.D.  
E-mail: [Charles.Wu@Gyretx.com](mailto:Charles.Wu@Gyretx.com)

With a copy to (which shall not constitute notice) (prior to the BC Effective Time only):

Orrick, Herrington & Sutcliffe LLP  
51 West 52nd Street  
New York, NY 10019  
Attention: Stephen Thau and David Schwartz  
E-mail: [sthau@orrick.com](mailto:sthau@orrick.com) and [dschwartz@orrick.com](mailto:dschwartz@orrick.com)

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

Gibson, Dunn & Crutcher LLP  
555 Mission Street, Suite 3000  
San Francisco, CA 94105  
Attention: Ryan A. Murr and Branden C. Berns  
E-mail: [RMurr@gibsondunn.com](mailto:RMurr@gibsondunn.com) and [BBerns@gibsondunn.com](mailto:BBerns@gibsondunn.com)

If to Purchaser: GNI USA, Inc.  
12730 High Bluff Drive, Suite 250  
San Diego, CA 92130  
Attention: Ying Luo and Thomas Eastling  
E-mail Address: [ylo@gnipharma.com](mailto:ylo@gnipharma.com) and [t-eastling@gnipharma.com](mailto:t-eastling@gnipharma.com)

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

Gibson, Dunn & Crutcher LLP  
555 Mission Street, Suite 3000  
San Francisco, CA 94105  
Attention: Ryan A. Murr and Branden C. Berns  
E-mail: [RMurr@gibsondunn.com](mailto:RMurr@gibsondunn.com) and [BBerns@gibsondunn.com](mailto:BBerns@gibsondunn.com)

or such other address as may be designated in writing hereafter, in the same manner, by such Person.

6.4 Amendments; Waivers; No Additional Consideration. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and Purchaser, or, in the case of a waiver, by the party against whom enforcement of any such waiver is sought. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of either party to exercise any right hereunder in any manner impair the exercise of any such right.

6.5 Governing Law. This Agreement and all disputes or controversies arising out of or relating to this Agreement or the transactions contemplated hereby shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without regard to the laws of any other jurisdiction that might be applied because of the conflicts of laws principles of the State of Delaware. Each of the parties irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement brought by any party or its Affiliates against any other party or its Affiliates shall be brought and determined in the Court of Chancery of the State of Delaware, provided that if jurisdiction is not then available in the Court of Chancery of the State of Delaware, then any such legal action or proceeding may be brought in any federal court located in the State of Delaware. Each of the parties hereby irrevocably submits to the jurisdiction of the aforesaid courts for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby. Each of the parties agrees not to commence any action, suit or proceeding relating thereto except in the courts described above in Delaware, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in Delaware as described herein. Each of the parties further agrees that notice as provided herein shall constitute sufficient service of process and the parties further waive any argument that such service is insufficient. Each of the parties hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, (a) any claim that it is not personally subject to the jurisdiction of the courts in Delaware as described herein for any reason, (b) that it or its property is exempt or immune from jurisdiction.

6.6 Replacement of Securities. If any certificate or instrument evidencing any Securities is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof, or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company and the Transfer Agent of such loss, theft or destruction and the execution by the holder thereof of a customary lost certificate affidavit of that fact and an agreement to indemnify and hold harmless the Company and the Transfer Agent for any losses in connection therewith or, if required by the Transfer Agent, a bond in such form and amount as is required by the Transfer Agent. The applicants for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs associated with the issuance of such replacement Securities. If a replacement certificate or instrument evidencing any Securities is requested due to a mutilation thereof, the Company may require delivery of such mutilated certificate or instrument as a condition precedent to any issuance of a replacement.

6.7 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, Purchaser and the Company will be entitled to specific performance under the Transaction Documents. Except as expressly set forth in the Transaction Documents, the parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations described in the foregoing sentence and hereby agree to waive in any action for specific performance of any such obligation (other than in connection with any action for a temporary restraining order) the defense that a remedy at law would be adequate.

6.8 Adjustments in Share Numbers and Prices. In the event of any stock split, subdivision, dividend or distribution to all stockholders of the Company payable in shares of Common Stock (or other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly shares of Common Stock), combination or other similar recapitalization or event occurring after the date hereof and prior to the Closing, each reference in any Transaction Document to a number of shares or a price per share shall be deemed to be amended to appropriately account for such event.

6.9 Termination. This Agreement may be terminated and the sale and purchase of the Shares and the Warrants abandoned at any time prior to the Closing by either the Company or Purchaser upon written notice to the other, if the Closing has not been consummated on or prior to 5:00 P.M., New York City time, on the Outside Date or the termination date of the Business Combination Agreement, whichever is earlier; *provided, however*, that the right to terminate this Agreement under this Section 6.9 shall not be available to any Person whose failure to comply with its obligations under this Agreement has been the cause of or resulted in the failure of the Closing to occur on or before such time. Nothing in this Section 6.9 shall be deemed to release any party from any liability for any breach by such party of the terms and provisions of this Agreement or the other Transaction Documents or to impair the right of any party to compel specific performance by any other party of its obligations under this Agreement or the other Transaction Documents. Upon a termination in accordance with this Section 6.9, the Company and Purchaser shall not have any further obligation or liability (including arising from such termination) to the other.

6.10 BC Effective Time. From and after the BC Effective Time, all references herein to the “Company” shall refer to Gyre Therapeutics, Inc.

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IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

CATALYST BIOSCIENCES, INC.

By: /s/ Nassim Usman, Ph.D.  
Name: Nassim Usman, Ph.D.  
Title: Chief Executive Officer

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NAME OF PURCHASER: GNI USA, INC.

By: /s/ Thomas Eastling

Name: Thomas Eastling

Title: Treasurer and Secretary

Purchase of the Units

Subscription Amount: \$5,000,000.00

Unit Purchase Price: \$0.6165

Number of Units to Be Acquired: 8,110,300.00

To Be Acquired as Shares of Series X Convertible Preferred Stock: 811

Aggregate number of Shares Subject to Warrants: 811 (100% of the Number of Conversion Shares)

Address for Notice:

GNI USA, Inc.

12730 High Bluff Drive, Suite 250

San Diego, CA 92130

E-mail Address: [yluo@gnipharma.com](mailto:yluo@gnipharma.com);

[t-eastling@gnipharma.com](mailto:t-eastling@gnipharma.com)

Attention: Ying Luo

Thomas Eastling

Delivery Instructions:

(if different than above)

c/o Gibson, Dunn & Crutcher LLP

Street: 555 Mission Street, Suite 3000

City/State/Zip: San Francisco, CA 94105

Attention: Ryan A. Murr; Branden C. Berns

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**EXHIBITS:**

- A: Amendment to Certificate of Designation
  - B: Form of Warrant
-

EXHIBIT A

AMENDMENT TO CERTIFICATE OF DESIGNATION

(Circulated separately)

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EXHIBIT B

FORM OF WARRANT

(Circulated separately)



## GYRE THERAPEUTICS, INC.

## 2023 OMNIBUS INCENTIVE PLAN

1. Purposes of the Plan. The purposes of this Gyre Therapeutics, Inc. 2023 Omnibus Incentive Plan (as amended from time to time, the **Plan**) is to motivate and reward employees and other individuals to perform at the highest level and contribute significantly to the success of Catalyst Biosciences, Inc., a Delaware corporation (the **Company**), thereby furthering the best interests of the Company and its shareholders. The Plan (including any Sub-plans established hereunder in accordance with Section 4(c)) shall serve as the primary plan under which equity-based incentives are awarded on a worldwide basis to Participants.
2. Definitions. As used in the Plan, the following terms shall have the meanings set forth below:
  - (a) **"Affiliate"** means any entity that, directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with, the Company.
  - (b) **"Award"** means any Option, SAR, Restricted Stock, RSU, Performance Award, Other Cash-Based Award or Other Stock-Based Award granted under the Plan
  - (c) **"Award Agreement"** means any agreement, contract or other instrument or document (including in electronic form) evidencing any Award granted under the Plan, which may, but need not, be executed or acknowledged by a Participant.
  - (d) **"Beneficial Owner"** has the meaning ascribed to such term in Rule 13d-3 under the Exchange Act.
  - (e) **"Beneficiary"** means a Person entitled to receive payments or other benefits or exercise rights that are available under the Plan in the event of a Participant's death. If no such Person can be named or is named by a Participant, or if no Beneficiary designated by a Participant is eligible to receive payments or other benefits or exercise rights that are available under the Plan at a Participant's death, such Participant's Beneficiary shall be such Participant's estate.
  - (f) **"Board"** means the Board of Directors of the Company.
  - (g) **"Cause"** is as defined in Participant's Service Agreement, if any, or Award Agreement or, if not so defined, means: (i) any theft, fraud, embezzlement, dishonesty, willful misconduct, breach of fiduciary duty for personal profit, falsification of any documents or records of the Company or any of its Affiliates, felony or similar act by Participant (whether or not related to Participant's relationship with the Company); (ii) an act of moral turpitude by Participant, or any act that causes significant injury to, or is otherwise adversely affecting, the reputation, business, assets, operations or business relationship of the Company (or a Subsidiary or Affiliate, when applicable); (iii) any breach by Participant of any material agreement with or of any material duty of Participant to the Company or any Subsidiary or Affiliate thereof (including breach of confidentiality, non-disclosure, non-use non-competition or non-solicitation covenants towards the Company or any of its Affiliates) or failure to abide by code of conduct or other policies (including, without limitation, policies relating to confidentiality and reasonable workplace conduct); or (iv) any act which constitutes a breach of a Participant's fiduciary duty towards the Company or an Affiliate or Subsidiary, including disclosure of confidential or proprietary information thereof or acceptance or solicitation to receive unauthorized or undisclosed benefits, irrespective of their nature, or funds, or promises to receive either, from individuals, consultants or corporate entities that the Company or a Subsidiary does business with; (v) Participant's unauthorized use, misappropriation, destruction, or diversion of any tangible or intangible asset or corporate opportunity of the Company or any of its Affiliates (including, without limitation, the improper use or disclosure of confidential or proprietary information); or (vi) any circumstances that constitute grounds for termination for cause under Participant's Service Agreement with the Company or Affiliate, to the extent applicable. For the avoidance of doubt, the determination as to whether a termination is for Cause for purposes of this Plan, shall be made in good faith by the Committee and shall be final and binding on Participant.

(h) “**Change in Control**” means the occurrence of any one or more of the following events:

(i) any Person, other than (A) any employee plan established by the Company or any Subsidiary, (B) the Company or any of its Affiliates, (C) an underwriter temporarily holding securities pursuant to an offering of such securities, or (D) an entity owned, directly or indirectly, by shareholders of the Company in substantially the same proportions as their ownership of the Company, is (or becomes, during any 12-month period) the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates other than in connection with the acquisition by the Company or its Affiliates of a business) representing 50% or more of the total voting power of the stock of the Company; *provided* that the provisions of this subsection (i) are not intended to apply to or include as a Change in Control any transaction that is specifically excepted from the definition of Change in Control under subsection (iii) below;

(ii) a change in the composition of the Board such that, during any 12-month period, the individuals who, as of the beginning of such period, constitute the Board (the “**Existing Board**”) cease for any reason to constitute at least 50% of the Board; *provided, however*, that any individual becoming a member of the Board subsequent to the beginning of such period whose election, or nomination for election by the Company’s shareholders, was either (a) a result of the ordinary annual director elections or (b) approved by a vote of at least a majority of the Directors immediately prior to the date of such appointment or election, in each case, shall be considered as though such individual were a member of the Existing Board; *provided further*, that, notwithstanding the foregoing, no individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 or Regulation 14A promulgated under the Exchange Act or successor statutes or rules containing analogous concepts) or other actual or threatened solicitation of proxies or consents by or on behalf of an individual, corporation, partnership, group, associate or other entity or Person other than the Board, shall in any event be considered to be a member of the Existing Board;

(iii) consummation of a merger, amalgamation or consolidation of the Company with any other corporation or other entity, or the issuance of voting securities in connection with such a transaction pursuant to applicable stock exchange requirements; *provided* that immediately following such transaction the voting securities of the Company outstanding immediately prior thereto do not continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity of such transaction or parent entity thereof) 50% or more of the total voting power of the Company's stock (or, if the Company is not the surviving entity of such merger or consolidation, 50% or more of the total voting power and total fair market value of the stock of such surviving entity or parent entity thereof); and *provided, further*, that such a transaction effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates other than in connection with the acquisition by the Company or its Affiliates of a business) representing 50% or more of either the then-outstanding Shares or the combined voting power and total fair market value of the Company's then-outstanding voting securities shall not be considered a Change in Control; or

(iv) the sale or disposition by the Company of all or substantially all of the Company's assets in which any Person acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person) assets from the Company that have a total gross fair market value equal to 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.

Notwithstanding the foregoing, (A) no Change in Control shall be deemed to have occurred if there is consummated any transaction or series of integrated transactions immediately following which the record holders of the Shares immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns substantially all of the assets of the Company immediately prior to such transaction or series of transactions and (B) no Change in Control shall be deemed to have occurred upon the acquisition of additional control of the Company by any Person that is considered to effectively control the Company. In no event will a Change in Control be deemed to have occurred if any Grantee is part of a "group" within the meaning of Section 13(d)(3) of the Exchange Act that effects a Change in Control. Notwithstanding the foregoing or any provision of any Award Agreement to the contrary, for any Award that provides for accelerated distribution on a Change in Control of amounts that constitute "deferred compensation" (as defined in Section 409A of the Code), if the event that constitutes such Change in Control does not also constitute a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company's assets (in either case, as defined in Section 409A of the Code), such amount shall not be distributed on such Change in Control but instead shall vest as of such Change in Control and shall be distributed on the scheduled payment date specified in the applicable Award Agreement, except to the extent that earlier distribution would not result in the Grantee who holds such Award incurring interest or additional tax under Section 409A of the Code.

(i) “**Code**” means the Internal Revenue Code of 1986, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Code shall include any successor provision thereto.

(j) “**Committee**” means the compensation committee of the Board unless another committee is designated by the Board. If there is no compensation committee of the Board and the Board does not designate another committee, references herein to the “Committee” shall refer to the Board.

(k) “**Common Stock**” means the common stock, par value, of the Company.

(l) “**Consultant**” means any individual, including an advisor, who is providing *bona fide* services to the Company or any Subsidiary or who has accepted an offer of service or consultancy from the Company or any Subsidiary. For purposes of the Plan, in the case of a Consultant, references to employment shall be deemed to refer to such Consultant’s service in such capacity, but in no event shall the Plan or any action taken hereunder be construed to create an employer-employee relationship between any such Consultant and the Company or any of its Affiliates.

(m) “**Director**” means a member of the Board.

(n) “**Effective Date**” means the date on which the Plan is adopted by the Board.

(o) “**Employee**” means any individual, including any officer, employed by the Company or any Subsidiary or any prospective employee or officer who has accepted an offer of employment from the Company or any Subsidiary, with the status of employment determined based upon such factors as are deemed appropriate by the Committee in its discretion, subject to any requirements of the Code or applicable laws; *provided* that any such person may not receive any payment or exercise any right relating to an Award until such person has commenced employment or service with the Company or its Subsidiaries. An employee on an approved leave of absence (including maternity leave) shall be considered as still in the employment of the Company or its Subsidiaries for purposes of eligibility for participation in the Plan.

(p) “**Exchange Act**” means the Securities Exchange Act of 1934, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Exchange Act shall include any successor provision thereto.

(q) “**Fair Market Value**” means (i) with respect to Shares, the closing price of a Share on the trading day immediately preceding the date of determination (or, if there is no reported sale on such date, on the last preceding date on which any reported sale occurred), on the principal stock market or exchange on which the Shares are quoted or traded, or if Shares are not so quoted or traded, the fair market value of a Share as determined by the Committee, and (ii) with respect to any property other than Shares, the fair market value of such property determined by such methods or procedures as shall be established from time to time by the Committee.

(r) “**Incentive Stock Option**” means an option representing the right to purchase Shares from the Company, granted pursuant to Section 6, that meets the requirements of Section 422 of the Code.

- (s) “**Incentive Stock Option**” means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code.
- (t) “**Intrinsic Value**” with respect to an Option or SAR Award means (i) the excess, if any, of the price or implied price per Share in a Change in Control or other event *over* (ii) the exercise or hurdle price of such Award *multiplied by* (iii) the number of Shares covered by such Award.
- (u) “**Non-Employee Director**” means a Director who either (i) is not a current Employee or officer of the Company or an Affiliate, does not receive compensation, either directly or indirectly, from the Company or an Affiliate for services rendered as a consultant or in any capacity other than as a Director (except for an amount as to which disclosure would not be required under Item 404(a) of Regulation S-K promulgated pursuant to the Securities Act (“**Regulation S-K**”)), does not possess an interest in any other transaction for which disclosure would be required under Item 404(a) of Regulation S-K, and is not engaged in a business relationship for which disclosure would be required pursuant to Item 404(b) of Regulation S-K; or (ii) is otherwise considered a “non-employee director” for purposes of Rule 16b-3.
- (v) “**Non-Qualified Stock Option**” means an option representing the right to purchase Shares from the Company, granted pursuant to Section 6, that is not an Incentive Stock Option.
- (w) “**Option**” means an Incentive Stock Option or a Non-Qualified Stock Option.
- (x) “**Other Cash-Based Award**” means an Award granted pursuant to Section 11, including cash awarded as a bonus or upon the attainment of specified performance criteria or otherwise as permitted under the Plan.
- (y) “**Other Stock-Based Award**” means an Award granted pursuant to Section 11 that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Shares or factors that may influence the value of Shares, including convertible or exchangeable debt securities, other rights convertible or exchangeable into Shares, purchase rights for Shares, dividend rights or dividend equivalent rights or Awards with value and payment contingent upon performance of the Company or business units thereof or any other factors designated by the Committee.
- (z) “**Participant**” means the recipient of an Award granted under the Plan.
- (aa) “**Performance Award**” means an Award granted pursuant to Section 10.
- (bb) “**Performance Period**” means the period established by the Committee with respect to any Performance Award during which the performance goals specified by the Committee with respect to such Award are to be measured.
- (cc) “**Person**” has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.

- (dd) “**Restricted Stock**” means any Share subject to certain restrictions and forfeiture conditions, granted pursuant to Section 8.
- (ee) “**RSU**” means a contractual right granted pursuant to Section 9 that is denominated in Shares. Each RSU represents a right to receive the value of one Share (or a percentage of such value) in cash, Shares or a combination thereof. Awards of RSUs may include the right to receive dividend equivalents.
- (ff) “**Rule 16b-3**” means Rule 16b-3 promulgated under the Exchange Act or any successor to Rule 16b-3, as in effect from time to time.
- (gg) “**SAR**” means a right granted pursuant to Section 7 to receive upon exercise by the Participant or settlement, in cash, Shares or a combination thereof, the excess of (i) the Fair Market Value of one Share on the date of exercise or settlement over (ii) the exercise or hurdle price of the right on the date of grant.
- (hh) “**Service Agreement**” means any employment, severance, consulting or similar agreement between the Company or any of its Affiliates and a Grantee.
- (ii) “**Share**” means a share of the common stock, par value \$0.001 per share, of the Company.
- (jj) “**Subsidiary**” means an entity of which the Company directly or indirectly holds all or a majority of the value of the outstanding equity interests of such entity or a majority of the voting power with respect to the voting securities of such entity. Whether employment by or service with a Subsidiary is included within the scope of the Plan shall be determined by the Committee.
- (kk) “**Substitute Award**” means an Award granted in assumption of, or in substitution for, an outstanding award previously granted by a company or other business acquired by the Company or with which the Company combines.
- (ll) “**Termination of Service**” means, in the case of a Grantee who is an Employee, cessation of the employment relationship such that the Grantee is no longer an employee of the Company or any Subsidiary, or, in the case of a Grantee who is a Consultant or Non-Employee Director, the date the performance of services for the Company or any Subsidiary has ended; *provided, however*, that in the case of a Grantee who is an Employee, the transfer of employment from the Company to a Subsidiary, from a Subsidiary to the Company, from one Subsidiary to another Subsidiary or, unless the Committee determines otherwise, the cessation of employee status but the continuation of the performance of services for the Company or a Subsidiary as a Director or Consultant shall not be deemed a cessation of service that would constitute a Termination of Service; *provided, further*, that a Termination of Service shall be deemed to occur for a Grantee employed by, or performing services for, a Subsidiary when such Subsidiary ceases to be a Subsidiary unless such Grantee’s employment or service continues with the Company or another Subsidiary. Notwithstanding the foregoing, with respect to any Award subject to Section 409A of the Code (and not exempt therefrom), a Termination of Service occurs when a Grantee experiences a “separation of service” (as such term is defined under Section 409A of the Code).

3. Eligibility.

(a) Any Employee, Non-Employee Director or Consultant shall be eligible to be selected to receive an Award under the Plan, to the extent that an offer or receipt of an Award is permitted by applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations.

(b) Holders of equity compensation awards granted by a company that is acquired by the Company (or whose business is acquired by the Company) or with which the Company combines are eligible for grants of Substitute Awards under the Plan to the extent permitted under applicable regulations of any stock exchange on which the Company is listed.

4. Administration.

(a) *Administration of the Plan.* The Plan shall be administered by the Committee. All decisions of the Committee shall be final, conclusive and binding upon all parties, including the Company, its shareholders, Participants and any Beneficiaries thereof. The Committee may issue rules and regulations for administration of the Plan.

(b) *Delegation of Authority.* To the extent permitted by applicable law, including under Section 157(c) of the Delaware General Corporation Law, the Committee may delegate to one or more officers of the Company some or all of its authority under the Plan, including the authority to grant Options and SARs or other Awards in the form of Share rights (except that such delegation shall not apply to any Award for a Person then covered by Section 16 of the Exchange Act), and the Committee may delegate to one or more committees of the Board (which may consist of solely one Director) some or all of its authority under the Plan, including the authority to grant all types of Awards, in accordance with applicable law.

(c) *Establishment of Sub-plans.* The Board shall have full discretion and authority to establish one or more sub-plans under the Plan to facilitate local administration of the Plan in any jurisdiction in which the Company or any of its Affiliates operate and to conform the Plan to the legal requirements of any such jurisdiction or to allow for favorable tax treatment under any applicable provision of tax law (each, a “**Sub-plan**”). The Board shall establish such Sub-plans by adopting supplements to the Plan setting forth (i) such limitations on the Committee’s discretion under the Plan as the Board deems necessary or desirable and (ii) such additional terms and conditions not otherwise inconsistent with the Plan as the Board shall deem necessary or desirable. All Sub-plans adopted by the Board shall be deemed to be part of the Plan, but each Sub-plan shall apply only to Participants within the affected jurisdiction and the Company or an Affiliate, as applicable, shall not be required to provide copies of any Sub-plan to Participants in any jurisdiction that is not affected.

(d) *Authority of Committee.* Subject to the terms of the Plan and applicable law, the Committee (or its delegate) shall have full discretion and authority to: (i) designate Participants; (ii) determine the type or types of Awards (including Substitute Awards) to be granted to each Participant under the Plan; (iii) determine the number of Shares to be covered by (or with respect to which payments, rights or other matters are to be calculated in connection with) Awards; (iv) determine the terms and conditions of any Award and prescribe the form of each Award Agreement, which need not be identical for each Participant; (v) determine whether, to what extent, under what circumstances and by which methods Awards may be settled or exercised in cash, Shares, other Awards, other property, net settlement (including broker-assisted cashless exercise), or any combination thereof, or canceled, forfeited or suspended; (vi) determine whether, to what extent and under what circumstances cash, Shares, other Awards, other property and other amounts payable with respect to an Award under the Plan shall be deferred either automatically or at the election of the holder thereof or of the Committee; (vii) amend terms or conditions of any outstanding Awards; (viii) correct any defect, supply any omission and reconcile any inconsistency in the Plan or any Award, in the manner and to the extent it shall deem desirable to carry the Plan into effect; (ix) interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan; (x) establish, amend, suspend or waive such rules and regulations and appoint such agents, trustees, brokers, depositories and advisors and determine such terms of their engagement as it shall deem appropriate for the proper administration of the Plan and due compliance with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations; and (xi) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan and due compliance with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations. Notwithstanding anything to the contrary contained herein, the Board may, in its sole discretion, at any time and from time to time, grant Awards or administer the Plan. In any such case, the Board shall have all of the authority and responsibility granted to the Committee herein.

(e) *Rule 16b-3 Compliance.* To the extent an Award is intended to qualify for the exemption from Section 16(b) of the Exchange Act that is available under Rule 16b-3 of the Exchange Act, the Award will be granted by the Board or a Committee (or a subcommittee thereof) that consists solely of two or more Non-Employee Directors, as determined under Rule 16b-3(b)(3) of the Exchange Act and thereafter any action establishing or modifying the terms of the Award will be approved by the Board or a Committee (or a subcommittee) meeting such requirements to the extent necessary for such exemption to remain available

5. Shares Available for Awards.

(a) Subject to adjustment as provided in Section 5(c) and except for Substitute Awards, the maximum number of Shares available for issuance under the Plan shall not exceed in the aggregate 17,845,496 Shares. The total number of Shares available for issuance under the Plan shall be increased on the first day of each Company fiscal year following the Effective Date in an amount equal to the lesser of (i) five (5) percent% of outstanding Shares on the last day of the immediately preceding fiscal year and (ii) such number of Shares as determined by the Committee in its discretion. Shares underlying Substitute Awards and Shares remaining available for grant under a plan of an acquired company or of a company with which the Company combines (whether by way of amalgamation, merger, sale and purchase of shares or other securities or otherwise), appropriately adjusted to reflect the acquisition or combination transaction, shall not reduce the number of Shares remaining available for grant hereunder.

(b) If any Award is forfeited, cancelled, expires, terminates or otherwise lapses or is settled in cash, in whole or in part, without the delivery of Shares, then the Shares covered by such forfeited, expired, terminated or lapsed Award shall again be available for grant under the Plan. The following shall become available for issuance under the Plan: (i) any Shares withheld in respect of taxes relating to any Award and (ii) any Shares tendered or withheld to pay the exercise price of Options.



(c) In the event that the Committee determines that, as a result of any dividend or other distribution (other than an ordinary dividend or distribution), recapitalization, stock split, reverse stock split, reorganization, merger, amalgamation, consolidation, separation, rights offering, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to acquire Shares or other securities of the Company, issuance of Shares pursuant to the anti-dilution provisions of securities of the Company, or other similar corporate transaction or event affecting the Shares, or of changes in applicable laws, regulations or accounting principles, an adjustment is necessary in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Committee shall, subject to Section 19 and applicable law, adjust equitably so as to ensure no undue enrichment or harm (including by payment of cash), any or all of:

- (i) the number and type of Shares (or other securities) which thereafter may be made the subject of Awards, including the aggregate limits specified in Section 5(a) and Section 5(f);
- (ii) the number and type of Shares (or other securities) subject to outstanding Awards;
- (iii) the grant, acquisition, exercise or hurdle price with respect to any Award or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding Award; and
- (iv) the terms and conditions of any outstanding Awards, including the performance criteria of any Performance Awards;

*provided, however*, that the number of Shares subject to any Award denominated in Shares shall always be a whole number.

- (d) Any Shares delivered pursuant to an Award may consist, in whole or in part, of authorized and unissued Shares or Shares acquired by the Company.

(e) The aggregate value of all compensation granted or paid, as applicable, to any individual for service as a Non-Employee Director with respect to any calendar year, including Awards granted and cash fees paid by the Company to such Non-Employee Director, will not exceed (i) \$500,000 in total value or (ii) in the event such Non-Employee Director is first appointed or elected to the Board, \$750,000 in total value during the initial annual period, in each case calculating the value of any equity awards based on the grant date fair value of such equity awards for financial reporting purposes. The limitations in this Section 5(e) shall apply commencing with the first calendar year that begins following the Effective Date.

(f) Subject to adjustment as provided in Section 5(c)(i), the maximum number of Shares available for issuance with respect to Incentive Stock Options shall be 17,845,496. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Shares with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds \$100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonqualified Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

6. Options. The Committee is authorized to grant Options to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) The exercise price per Share under an Option shall be determined by the Committee at the time of grant; *provided, however*, that, except in the case of Substitute Awards, such exercise price shall not be less than the Fair Market Value of a Share on the date of grant of such Option.

(b) The term of each Option shall be fixed by the Committee but shall not exceed 10 years from the date of grant of such Option.

(c) The Committee shall determine the methods by which, and the forms in which payment of the exercise price with respect thereto may be made or deemed to have been made, including cash, Shares, other Awards, other property, net settlement (including broker-assisted cashless exercise) or any combination thereof, having a Fair Market Value on the exercise date equal to the relevant exercise price.

(d) To the extent an Option is not previously exercised as to all of the Shares subject thereto, and, if the Fair Market Value of one Share is greater than the exercise price then in effect, then the Option shall be deemed automatically exercised immediately before its expiration.

(e) No grant of Options may be accompanied by a tandem award of dividend equivalents or provide for dividends, dividend equivalents or other distributions to be paid on such Options (except as provided under Section 5(c)).

(f) The terms of any Incentive Stock Option granted under the Plan shall comply in all respects with the provisions of Section 422 of the Code. Incentive Stock Options may be granted only to employees of the Company or of a parent or subsidiary corporation (as defined in Section 424 of the Code).

7. Stock Appreciation Rights. The Committee is authorized to grant SARs to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) SARs may be granted under the Plan to Participants either alone (“freestanding”) or in addition to other Awards granted under the Plan (“tandem”) and may, but need not, relate to a specific Option granted under Section 6.

(b) The exercise or hurdle price per Share under a SAR shall be determined by the Committee; *provided, however*, that, except in the case of Substitute Awards, such exercise or hurdle price shall not be less than the Fair Market Value of a Share on the date of grant of such SAR.

(c) The term of each SAR shall be fixed by the Committee but shall not exceed 10 years from the date of grant of such SAR.

(d) Upon the exercise of a SAR, the Company shall pay to the Participant an amount equal to the number of Shares subject to the SAR multiplied by the excess, if any, of the Fair Market Value of one Share on the exercise date over the exercise or hurdle price of such SAR. The Company shall pay such excess in cash, in Shares valued at Fair Market Value, or any combination thereof, as determined by the Committee.

(e) To the extent a SAR is not previously exercised as to all of the Shares subject thereto, and, if the Fair Market Value of one Share is greater than the exercise price then in effect, then the SAR shall be deemed automatically exercised immediately before its expiration.

(f) No grant of SARs may be accompanied by a tandem award of dividend equivalents or provide for dividends, dividend equivalents or other distributions to be paid on such SARs (except as provided under Section 5(c)).

8. Restricted Stock. The Committee is authorized to grant Awards of Restricted Stock to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) The Award Agreement shall specify the vesting schedule.

(b) Awards of Restricted Stock shall be subject to such restrictions as the Committee may impose, which restrictions may lapse separately or in combination at such time or times, in such installments or otherwise, as the Committee may deem appropriate.

(c) Subject to the restrictions set forth in the applicable Award Agreement, a Participant generally shall have the rights and privileges of a shareholder with respect to Awards of Restricted Stock, including the right to vote such Shares of Restricted Stock and the right to receive dividends.

(d) The Committee may, in its discretion, specify in the applicable Award Agreement that any or all dividends or other distributions paid on Awards of Restricted Stock prior to vesting be paid either in cash or in additional Shares and either on a current or deferred basis and that such dividends or other distributions may be reinvested in additional Shares, which may be subject to the same restrictions as the underlying Awards.

(e) Any Award of Restricted Stock may be evidenced in such manner as the Committee may deem appropriate, including book-entry registration.

(f) The Committee may provide in an Award Agreement that an Award of Restricted Stock is conditioned upon the Participant making or refraining from making an election with respect to the Award under Section 83(b) of the Code. If a Participant makes an election pursuant to Section 83(b) of the Code with respect to an Award of Restricted Stock, such Participant shall be required to file promptly a copy of such election with the Company and the applicable Internal Revenue Service office.

9. RSUs. The Committee is authorized to grant Awards of RSUs to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

- (a) The Award Agreement shall specify the vesting schedule and the delivery schedule (which may include deferred delivery later than the vesting date).
- (b) Awards of RSUs shall be subject to such restrictions as the Committee may impose, which restrictions may lapse separately or in combination at such time or times, in such installments or otherwise, as the Committee may deem appropriate.
- (c) An RSU shall not convey to a Participant the rights and privileges of a shareholder with respect to the Share subject to such RSU, such as the right to vote or the right to receive dividends, unless and until and to the extent a Share is issued to such Participant to settle such RSU.
- (d) The Committee may, in its discretion, specify in the applicable Award Agreement that any or all dividend equivalents or other distributions paid on Awards of RSUs prior to vesting or settlement, as applicable, be paid either in cash or in additional Shares and either on a current or deferred basis and that such dividend equivalents or other distributions may be reinvested in additional Shares, which may be subject to the same restrictions as such Awards.
- (e) Shares delivered upon the vesting and settlement of an RSU Award may be evidenced in such manner as the Committee may deem appropriate, including book-entry registration.
- (f) The Committee may determine the form or forms (including cash, Shares, other Awards, other property or any combination thereof) in which payment of the amount owing upon settlement of any RSU Award may be made.

10. Performance Awards. The Committee is authorized to grant Performance Awards to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

- (a) Performance Awards may be denominated as a cash amount, number of Shares or units or a combination thereof and are Awards that may be earned upon achievement or satisfaction of performance conditions specified by the Committee. In addition, the Committee may specify that any other Award shall constitute a Performance Award by conditioning the grant to a Participant or the right of a Participant to exercise the Award or have it settled, and the timing thereof, upon achievement or satisfaction of such performance conditions as may be specified by the Committee. The Committee may use such business criteria and other measures of performance as it may deem appropriate in establishing any performance conditions. Subject to the terms of the Plan, the performance goals to be achieved during any Performance Period, the length of any Performance Period, the amount of any Performance Award granted and the amount of any payment or transfer to be made pursuant to any Performance Award shall be determined by the Committee.

(b) Performance criteria may be measured on an absolute (e.g., plan or budget) or relative basis, and may be established on a corporate-wide basis, with respect to one or more business units, divisions, Subsidiaries or business segments, or on an individual basis. If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company, or the manner in which the Company conducts its business, or other events or circumstances render the performance objectives unsuitable, the Committee may modify the performance objectives or the related minimum acceptable level of achievement, in whole or in part, as the Committee deems appropriate and equitable such that it does not provide any undue enrichment or harm. Performance measures may vary from Performance Award to Performance Award and from Participant to Participant, and may be established on a stand-alone basis, in tandem or in the alternative. The Committee shall have the power to impose such other restrictions on Awards subject to this Section 10(b) as it may deem necessary or appropriate to ensure that such Awards satisfy all requirements of any applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations.

(c) Settlement of Performance Awards shall be in cash, Shares, other Awards, other property, net settlement, or any combination thereof, as determined in the discretion of the Committee.

(d) A Performance Award shall not convey to a Participant the rights and privileges of a shareholder with respect to the Share subject to such Performance Award, such as the right to vote (except as relates to Restricted Stock) or the right to receive dividends, unless and until and to the extent a Share is issued to such Participant to settle such Performance Award. The Committee, in its sole discretion, may provide that a Performance Award shall convey the right to receive dividend equivalents on the Shares subject to such Performance Award with respect to any dividends declared during the period that such Performance Award is outstanding, in which case, such dividend equivalent rights shall accumulate and shall be paid in cash or Shares on the settlement date of the Performance Award, subject to the Participant's earning of the Shares with respect to which such dividend equivalents are paid upon achievement or satisfaction of performance conditions specified by the Committee. Shares delivered upon the vesting and settlement of a Performance Award may be evidenced in such manner as the Committee may deem appropriate, including book-entry registration. For the avoidance of doubt, unless otherwise determined by the Committee, no dividend equivalent rights shall be provided with respect to any Shares subject to Performance Awards that are not earned or otherwise do not vest or settle pursuant to their terms.

(e) The Committee may, in its discretion, increase or reduce the amount of a settlement otherwise to be made in connection with a Performance Award.

11. Other Cash-Based Awards and Other Stock-Based Awards. The Committee is authorized, subject to limitations under applicable law, to grant Other Cash-Based Awards (either independently or as an element of or supplement to any other Award under the Plan) and Other Stock-Based Awards. The Committee shall determine the terms and conditions of such Awards. Shares delivered pursuant to an Award in the nature of a purchase right granted under this Section 11 shall be purchased for such consideration, and paid for at such times, by such methods and in such forms, including cash, Shares, other Awards, other property, net settlement, broker-assisted cashless exercise or any combination thereof, as the Committee shall determine; *provided* that the purchase price therefor shall not be less than the Fair Market Value of such Shares on the date of grant of such right.

12. Effect of Termination of Service or a Change in Control on Awards.

(a) The Committee may provide, by rule or regulation or in any applicable Award Agreement, or may determine in any individual case, the circumstances in which, and the extent to which, an Award may be exercised, settled, vested, paid or forfeited in the event of a Grantee's Termination of Service prior to the end of a Performance Period or vesting, exercise or settlement of such Award.

(b) Subject to the last sentence of Section 2(ji), the Committee may determine, in its discretion, whether, and the extent to which, (i) an Award will vest during a leave of absence, (ii) a reduction in service level (for example, from full-time to part-time employment) will cause a reduction, or other change, to an Award and (iii) a leave of absence or reduction in service will be deemed a Termination of Service. In the event of a Change in Control, the Committee may, in its sole discretion, and on such terms and conditions as it deems appropriate, take any one or more of the following actions with respect to any outstanding Award, which need not be uniform with respect to all Grantees and/or Awards:

(i) continuation or assumption of such Award by the Company (if it is the surviving corporation) or by the successor or surviving entity or its parent;

(ii) substitution or replacement of such Award by the successor or surviving entity or its parent with cash, securities, rights or other property to be paid or issued, as the case may be, by the successor or surviving entity (or a parent or subsidiary thereof), with substantially the same terms and value as such Award (including any applicable performance targets or criteria with respect thereto);

(iii) acceleration of the vesting of such Award and the lapse of any restrictions thereon and, in the case of an Option or SAR Award, acceleration of the right to exercise such Award during a specified period (and the termination of such Option or SAR Award without payment of any consideration therefor to the extent such Award is not timely exercised), in each case, either (A) immediately prior to or as of the date of the Change in Control, (B) upon a Grantee's involuntary Termination of Service (including upon a termination of the Grantee's employment by the Company (or a successor corporation or its parent) without Cause, by a Grantee for "good reason" (as such term may be defined in the applicable Award Agreement and/or a Grantee's Service Agreement, as the case may be) and/or due to a Grantee's death or Disability) on or within a specified period following the Change in Control or (C) upon the failure of the successor or surviving entity (or its parent) to continue or assume such Award;

(iv) in the case of a Performance Award, determination of the level of attainment of the applicable performance condition(s); and

(v) cancellation of such Award in consideration of a payment, with the form, amount and timing of such payment determined by the Committee in its sole discretion, subject to the following: (A) such payment shall be made in cash, securities, rights and/or other property; (B) the amount of such payment shall equal the value of such Award, as determined by the Committee in its sole discretion; *provided* that, in the case of an Option or SAR Award, if such value equals the Intrinsic Value of such Award, such value shall be deemed to be valid; *provided further* that, if the Intrinsic Value of an Option or SAR Award is equal to or less than zero, the Committee may, in its sole discretion, provide for the cancellation of such Award without payment of any consideration therefor (for the avoidance of doubt, in the event of a Change in Control, the Committee may, in its sole discretion, terminate any Option or SAR Awards for which the exercise or hurdle price is equal to or exceeds the per Share value of the consideration to be paid in the Change in Control transaction without payment of consideration therefor); and (C) such payment shall be made promptly following such Change in Control or on a specified date or dates following such Change in Control; *provided* that the timing of such payment shall comply with Section 409A of the Code.

(c) In connection with any of the actions set forth in Sections 12(c)(i) – (v), the Committee may, in its sole discretion, determine: (i) that any payments to Grantees made in respect of Awards shall be made or delayed (subject to Section 409A of the Code, where applicable) to the same extent that payment of consideration to the holders of the Shares in connection with the Change of Control is made or delayed as a result of any escrow, indemnification, earn out, holdback or any other contingent or deferred payment arrangement; (ii) the terms and conditions applying to the payment made or payable to the Grantees, including participation in any escrow, indemnification, earn-outs, holdback or any other contingent or deferred payment arrangement; and (iii) that any terms and conditions applying under the applicable definitive transaction agreements in connection with the Change in Control shall apply to the Grantees (including, without limitation, appointment and engagement of a stockholders' or sellers' representative, payment of fees or other costs and expenses associated with such services, indemnification of such representative, and authorization to such representative within the scope of such representative's authority in the applicable definitive transaction agreements).

(d) Neither the authorities and powers of the Committee under this Section 12 nor the exercise or implementation thereof, shall (i) be restricted or limited in any way by any adverse consequences (tax or otherwise) that may result to any holder of an Award, and (ii) as, *inter alia*, being a feature of the Award upon its grant, be deemed to constitute a change or an amendment of the rights of such holder under this Plan, nor shall any such adverse consequences (as well as any adverse tax consequences that may result from any tax ruling or other approval or determination of any relevant tax authority) be deemed to constitute a change or an amendment of the rights of such holder under this Plan, and may be effected without consent of any Grantee and without any liability to the Company or its Affiliates or to its or their respective officers, directors, employees and representatives and the respective successors and assigns of any of the foregoing.

13. General Provisions Applicable to Awards

- (a) Awards shall be granted for such cash or other consideration, if any, as the Committee determines; *provided* that in no event shall Awards be issued for less than such minimal consideration as may be required by applicable law.
- (b) Awards may, in the discretion of the Committee, be granted either alone or in addition to or in tandem with any other Award or any award granted under any other plan of the Company. Awards granted in addition to or in tandem with other Awards, or in addition to or in tandem with awards granted under any other plan of the Company, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.
- (c) Subject to the terms of the Plan, payments or transfers to be made by the Company upon the grant, exercise or settlement of an Award may be made in the form of cash, Shares, other Awards, other property, net settlement, or any combination thereof, as determined by the Committee in its discretion at the time of grant, and may be made in a single payment or transfer, in installments or on a deferred basis, in each case in accordance with rules and procedures established by the Committee. Such rules and procedures may include provisions for the payment or crediting of reasonable interest on installment or deferred payments or the grant or crediting of dividend equivalents in respect of installment or deferred payments.
- (d) Except as may be permitted by the Committee or as specifically provided in an Award Agreement, (i) no Award and no right under any Award shall be assignable, alienable, saleable or transferable by a Participant other than by will or pursuant to Section 13(e) and (ii) during a Participant's lifetime, each Award, and each right under any Award, shall be exercisable only by such Participant or, if permissible under applicable law, by such Participant's guardian or legal representative. The provisions of this Section 13(d) shall not apply to any Award that has been fully exercised or settled, as the case may be, and shall not preclude forfeiture of an Award in accordance with the terms thereof.
- (e) A Participant may designate a Beneficiary or change a previous Beneficiary designation only at such times as prescribed by the Committee, in its sole discretion, and only by using forms and following procedures approved or accepted by the Committee for that purpose.
- (f) All certificates, if any, for Shares and/or other securities delivered under the Plan pursuant to any Award or the exercise or settlement thereof shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock market or exchange upon which such Shares or other securities are then quoted, traded or listed, and any applicable securities laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.
- (g) The Company will not be obligated to deliver any Shares under the Plan or remove restrictions from Shares previously delivered under the Plan until (i) all Award conditions have been met or removed to the Committee's satisfaction, (ii) as determined by the Committee, all other legal matters regarding the issuance and delivery of such Shares have been satisfied, including any applicable securities laws, stock market or exchange rules and regulations or accounting or tax rules and regulations and (iii) the Participant has executed and delivered to the Company such representations or agreements as the Committee deems necessary or appropriate to satisfy any applicable laws. The Company's inability to obtain authority from any regulatory body having jurisdiction, which the Committee determines is necessary to the lawful issuance and sale of any Shares, will relieve the Company of any liability for failing to issue or sell such Shares as to which such requisite authority has not been obtained.



(h) The Committee may impose restrictions on any Award with respect to non-competition, non-solicitation, confidentiality and other restrictive covenants, or requirements to comply with minimum share ownership requirements, as it deems necessary or appropriate in its sole discretion, which such restrictions may be set forth in any applicable Award Agreement or otherwise.

14. Amendments and Terminations.

(a) *Amendment or Termination of the Plan.* Except to the extent prohibited by applicable law and unless otherwise expressly provided in an Award Agreement or in the Plan, the Board may amend, alter, suspend, discontinue or terminate the Plan or any portion thereof at any time; *provided, however*, that no such amendment, alteration, suspension, discontinuance or termination shall be made without (i) shareholder approval if such approval is required by applicable law or the rules of the stock market or exchange, if any, on which the Shares are principally quoted or traded or (ii) subject to Section 5(c) and Section 12, the consent of the affected Participant, if such action would materially adversely affect the rights of such Participant under any outstanding Award, except (x) to the extent any such amendment, alteration, suspension, discontinuance or termination is made to cause the Plan to comply with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations or (y) to impose any “clawback” or recoupment provisions on any Awards (including any amounts or benefits arising from such Awards) in accordance with Section 18. Notwithstanding anything to the contrary in the Plan, the Committee may amend the Plan, or create Sub-plans, in such manner as may be necessary or desirable to enable the Plan to achieve its stated purposes in any jurisdiction in a tax-efficient manner and in compliance with local rules and regulations.

(b) *Dissolution or Liquidation.* In the event of the dissolution or liquidation of the Company, each Award shall terminate immediately prior to the consummation of such action, unless otherwise determined by the Committee.

(c) *Terms of Awards.* The Committee may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue or terminate any Award theretofore granted (including by substituting another Award of the same or a different type), prospectively or retroactively, without the consent of any relevant Participant or holder or Beneficiary of an Award; *provided, however*, that, subject to Section 5(c) and Section 12, no such action shall materially adversely affect the rights of any affected Participant or holder or Beneficiary under any Award theretofore granted under the Plan, except (x) to the extent any such action is made to cause the Plan or Award to comply with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations, or (y) to impose any “clawback” or recoupment provisions on any Awards (including any amounts or benefits arising from such Awards) in accordance with Section 18. The Committee shall be authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of events (including the events described in Section 5(c)) affecting the Company, or the financial statements of the Company, or of changes in applicable laws, regulations or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

(d) *Repricing.* The Committee shall, without the approval of the Company's shareholders, have the authority to (i) amend any outstanding Option or SAR to reduce the exercise price per Share or (ii) cancel any Option or SAR in exchange for cash or another Award.

15. Miscellaneous.

(a) No Employee, Consultant, Non-Employee Director, Participant, or other Person shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of employees, Participants or holders or Beneficiaries of Awards under the Plan. The terms and conditions of Awards need not be the same with respect to each recipient. Any Award granted under the Plan shall be a one-time Award that does not constitute a promise of future grants. The Company, in its sole discretion, maintains the right to make available future grants under the Plan.

(b) The grant of an Award shall not be construed as giving a Participant the right to be retained in the employ of, or to continue to provide services to, the Company or any Affiliate. Further, the Company or any applicable Affiliate may at any time dismiss a Participant, free from any liability, or any claim under the Plan, unless otherwise expressly provided in the Plan or in any Award Agreement or in any other agreement binding on the parties. The receipt of any Award under the Plan is not intended to confer any rights on the receiving Participant except as set forth in the applicable Award Agreement.

(c) In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an employee of the Company and the Employee has a change in status from a full-time employee to a part-time employee (or serves as a Consultant or Director) or takes an extended leave of absence) after the date of grant of any Award to the Participant, the Board may determine, to the extent permitted by applicable law, to (i) make a corresponding reduction in the number of shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended.

(d) As a condition to accepting an Award under the Plan, the Participant agrees to execute any additional documents or instruments necessary or desirable, as determined in the Committee's sole discretion, to carry out the purposes or intent of the Award, or facilitate compliance with securities and/or other regulatory requirements, in each case at the Committee's request.

(e) No payment pursuant to the Plan shall be taken into account in determining any benefits under any severance, pension, retirement, savings, profit sharing, group insurance, welfare or other benefit plan of the Company or any Affiliate, except to the extent otherwise expressly provided in writing in such other plan or an agreement thereunder.

(f) Nothing contained in the Plan shall prevent the Company or any Affiliate from adopting or continuing in effect other or additional compensation arrangements, including the grant of options and other stock-based awards, and such arrangements may be either generally applicable or applicable only in specific cases.

(g) The Company shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under the Plan or from any compensation or other amount owing to a Participant the amount (in cash, Shares, other Awards, other property, net settlement, or any combination thereof) of applicable withholding taxes due in respect of an Award, its exercise or settlement or any payment or transfer under such Award or under the Plan and to take such other action (including providing for elective payment of such amounts in cash or Shares by such Participant) as may be necessary to satisfy all obligations for the payment of such taxes and, unless otherwise determined by the Committee in its discretion, to the extent such withholding would not result in liability classification of such Award (or any portion thereof) pursuant to FASB ASC Subtopic 718-10. As a condition to accepting an Award under the Plan, in the event that the amount of the Company's and/or its Affiliate's withholding obligation in connection with such Award was greater than the amount actually withheld by the Company and/or its Affiliates, each Participant agrees to indemnify and hold the Company and/or its Affiliates harmless from any failure by the Company and/or its Affiliates to withhold the proper amount.

(h) If any provision of the Plan or any Award Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction, or as to any Person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award Agreement, such provision shall be stricken as to such jurisdiction, Person or Award, and the remainder of the Plan and any such Award Agreement shall remain in full force and effect.

(i) Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Company.

(j) Any reference herein or in an Award Agreement to a "written" agreement or document will include any agreement or document delivered electronically, filed publicly at [www.sec.gov](http://www.sec.gov) (or any successor website thereto) or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access). By accepting any Award, the Participant consents to receive documents by electronic delivery and to participate in the Plan through any on-line electronic system established and maintained by the Committee's or another third party selected by the Committee. The form of delivery of any Shares (e.g., a stock certificate or electronic entry evidencing such shares) shall be determined by the Company.

(k) No fractional Shares shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine whether cash or other securities shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be canceled, terminated or otherwise eliminated.

(l) Awards may be granted to Participants who are non-United States nationals or employed or providing services outside the United States, or both, on such terms and conditions different from those applicable to Awards to Participants who are employed or providing services in the United States as may, in the judgment of the Committee, be necessary or desirable to recognize differences in local law, tax policy or custom. The Committee also may impose conditions on the exercise or vesting of Awards in order to minimize the Company's obligation with respect to tax equalization for Participants on assignments outside their home country.

16. Effective Date of the Plan. The Plan shall be effective as of the Effective Date.

17. Term of the Plan. No Award shall be granted under the Plan after the earliest to occur of (i) the 10-year anniversary of the Effective Date; (ii) the maximum number of Shares available for issuance under the Plan have been issued; or (iii) the Board terminates the Plan in accordance with Section 14(a). However, unless otherwise expressly provided in the Plan or in an applicable Award Agreement, any Award theretofore granted may extend beyond such date, and the authority of the Committee to amend, alter, adjust, suspend, discontinue or terminate any such Award, or to waive any conditions or rights under any such Award, and the authority of the Board to amend the Plan, shall extend beyond such date.

18. Cancellation or "Clawback" of Awards.

(a) The Committee may specify in an Award Agreement that a Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events may include a Termination of Service with or without Cause (and, in the case of any Cause that is resulting from an indictment or other non-final determination, the Committee may provide for such Award to be held in escrow or abeyance until a final resolution of the matters related to such event occurs, at which time the Award shall either be reduced, cancelled or forfeited (as provided in such Award Agreement) or remain in effect, depending on the outcome), violation of material policies, breach of non-competition, non-solicitation, confidentiality or other restrictive covenants, or requirements to comply with minimum share ownership requirements, that may apply to the Participant, or other conduct by the Participant that is detrimental to the business or reputation of the Company and/or its Affiliates.

(b) The Committee shall have full authority to implement any policies and procedures necessary to comply with Section 10D of the Exchange Act and any rules promulgated thereunder and any other regulatory regimes. Notwithstanding anything to the contrary contained herein, any Awards granted under the Plan (including any amounts or benefits arising from such Awards) shall be subject to any clawback or recoupment arrangements or policies the Company has in place from time to time and the Committee may, to the extent permitted by applicable law and stock exchange rules or by any applicable Company policy or arrangement, and shall, to the extent required, cancel or require reimbursement of any Awards granted to the Participant or any Shares issued or cash received upon vesting, exercise or settlement of any such Awards or sale of Shares underlying such Awards.

19. Section 409A of the Code. With respect to Awards subject to Section 409A of the Code, the Plan is intended to comply with the requirements of Section 409A of the Code, and the provisions of the Plan and any Award Agreement shall be interpreted in a manner that satisfies the requirements of Section 409A of the Code, and the Plan shall be operated accordingly. If any provision of the Plan or any term or condition of any Award would otherwise frustrate or conflict with this intent, the provision, term or condition shall be interpreted and deemed amended so as to avoid this conflict. Notwithstanding anything in the Plan to the contrary, if the Board considers a Grantee to be a “specified employee” under Section 409A of the Code at the time of such Grantee’s “separation from service” (as defined in Section 409A of the Code), and any amount hereunder is “deferred compensation” subject to Section 409A of the Code, any distribution of such amount that otherwise would be made to such Grantee with respect to an Award as a result of such “separation from service” shall not be made until the date that is six months after such “separation from service,” except to the extent that earlier distribution would not result in such Grantee’s incurring interest or additional tax under Section 409A of the Code. If an Award includes a “series of installment payments” (within the meaning of Section 1.409A-2(b)(2)(iii) of the Treasury Regulations), a Grantee’s right to such series of installment payments shall be treated as a right to a series of separate payments and not as a right to a single payment, and if an Award includes “dividend equivalents” (within the meaning of Section 1.409A-3(e) of the Treasury Regulations), a Grantee’s right to such dividend equivalents shall be treated separately from the right to other amounts under the Award. Notwithstanding the foregoing, the tax treatment of the benefits provided under the Plan or any Award Agreement is not warranted or guaranteed, and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by a Grantee on account of non-compliance with Section 409A of the Code.

20. Successors and Assigns. The terms of the Plan shall be binding upon and inure to the benefit of the Company and any successor entity, including any successor entity contemplated by Section 12(c).

21. Data Protection. In connection with the Plan, the Company may need to process personal data provided by a Grantee to the Company or its Affiliates, third party service providers or others acting on the Company’s behalf. Examples of such personal data may include, without limitation, the Grantee’s name, account information, social security number, tax number and contact information. The Company may process such personal data in its legitimate business interests for all purposes relating to the operation and performance of the Plan, including but not limited to:

- (a) administering and maintaining Grantee records;
- (b) providing the services described in the Plan;
- (c) providing information to future purchasers or merger partners of the Company or any Affiliate, or the business in which such Grantee works; and

(d) responding to public authorities, court orders and legal investigations, as applicable.

The Company may share the Grantee's personal data with (i) Affiliates, (ii) trustees of any employee benefit trust, (iii) registrars, (iv) brokers, (v) third party administrators of the Plan, (vi) third party service providers acting on the Company's behalf to provide the services described above or (vii) regulators and others, as required by law.

If necessary, the Company may transfer the Grantee's personal data to any of the parties mentioned above in a country or territory that may not provide the same protection for the information as the Grantee's home country. Any transfer of the Grantee's personal data to recipients in a third country will be made subject to appropriate safeguards or applicable derogations provided for under applicable law. Further information on those safeguards or derogations can be obtained through the contact set forth in the Employee Privacy Notice (the "**Employee Privacy Notice**") that previously has been provided by the Company or its applicable Affiliate to the Grantee. The terms set forth in this Section 21 are supplementary to the terms set forth in the Employee Privacy Notice (which, among other things, further describes the rights of the Grantee with respect to the Grantee's personal data); provided that, in the event of any conflict between the terms of this Section 21 and the terms of the Employee Privacy Notice, the terms of this Section 21 shall govern and control in relation to the Plan and any personal data of the Grantee to the extent collected in connection therewith.

The Company will keep personal data collected in connection with the Plan for as long as necessary to operate the Plan or as necessary to comply with any legal or regulatory requirements.

A Grantee has a right to (i) request access to and rectification or erasure of the personal data provided, (ii) request the restriction of the processing of his or her personal data, (iii) object to the processing of his or her personal data, (iv) receive the personal data provided to the Company and transmit such data to another party, and (v) to lodge a complaint with a supervisory authority.

22. Governing Law. The Plan and each Award Agreement shall be governed by the laws of the State of Delaware, without application of the conflicts of law principles thereof.

**INDEMNIFICATION AGREEMENT**

This Indemnification Agreement (this "**Agreement**") is entered into as of \_\_\_\_\_ by and between Gyre Therapeutics, Inc., a Delaware corporation (the "**Company**"), and \_\_\_\_\_ (the "**Indemnitee**") and shall be deemed effective upon the earliest date that the Indemnitee is duly elected or appointed as a director or officer of the Company.

**RECITALS**

WHEREAS, the Board of Directors of the Company (the "**Board**") has determined that the inability to attract and retain qualified persons as directors and officers is detrimental to the best interests of the Company's stockholders and that the Company should act to assure such persons that there shall be adequate certainty of protection through insurance and indemnification against risks of claims and actions against them arising out of their service to and activities on behalf of the Company;

WHEREAS, the Company has adopted provisions in its Amended and Restated Bylaws (as may be amended or restated from time to time, the "**Bylaws**") providing for indemnification and advancement of expenses of its directors and officers to the fullest extent authorized by the General Corporation Law of the State of Delaware (the "**DGCL**"), and the Company wishes to clarify and enhance the rights and obligations of the Company and the Indemnitee with respect to indemnification and advancement of expenses;

WHEREAS, in order to induce and encourage highly experienced and capable persons such as the Indemnitee to serve and continue to serve as directors and officers of the Company and in any other capacity with respect to the Company as the Company may request, and to otherwise promote the desirable end that such persons shall resist what they consider unjustified lawsuits and claims made against them in connection with the good faith performance of their duties to the Company, with the knowledge that certain costs, judgments, penalties, fines, liabilities and expenses incurred by them in their defense of such litigation are to be borne by the Company and they shall receive the maximum protection against such risks and liabilities as may be afforded by applicable law, the Board has determined that the following Agreement is reasonable and prudent to promote and ensure the best interests of the Company and its stockholders; and

WHEREAS, the Company desires to have the Indemnitee serve or continue to serve as a director or officer of the Company and in any other capacity with respect to the Company as the Company may request, as the case may be, free from undue concern for unpredictable, inappropriate or unreasonable legal risks and personal liabilities by reason of the Indemnitee acting in good faith in the performance of the Indemnitee's duty to the Company; and the Indemnitee desires to continue so to serve the Company, provided, and on the express condition, that he or she is furnished with the protections set forth hereinafter.

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## AGREEMENT

NOW, THEREFORE, in consideration of the Indemnitee's service or continued service as a director or officer of the Company, the parties hereto agree as follows:

### 1. Definitions. For purposes of this Agreement:

(a) A "**Change in Control**" will be deemed to have occurred if, with respect to any particular 24-month period, the individuals who, at the beginning of such 24-month period, constituted the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the beginning of such 24-month period whose election, or nomination for election by the stockholders of the Company, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board.

(b) "**Disinterested Director**" means a director of the Company who is not or was not a party to the Proceeding in respect of which indemnification is being sought by the Indemnitee.

(c) "**Expenses**" includes, without limitation, expenses incurred in connection with the defense or settlement of any action, suit, arbitration, alternative dispute resolution mechanism, inquiry, judicial, administrative or legislative hearing, investigation or any other threatened, pending or completed proceeding, whether brought by or in the right of the Company or otherwise, including any and all appeals, whether of a civil, criminal, administrative, legislative, investigative or other nature, attorneys' fees, witness fees and expenses, fees and expenses of accountants and other advisors, retainers and disbursements and advances thereon, the premium, security for, and other costs relating to any bond (including cost bonds, appraisal bonds or their equivalents), and any expenses of establishing a right to indemnification or advancement under this Agreement, but shall not include the amount of judgments, fines, ERISA excise taxes or penalties actually levied against the Indemnitee, or any amounts paid in settlement by or on behalf of the Indemnitee.

(d) "**Independent Counsel**" means a law firm or a member of a law firm that neither is presently nor in the past five years has been retained to represent (i) the Company or the Indemnitee in any matter material to either such party or (ii) any other party to the Proceeding giving rise to a request for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or the Indemnitee in an action to determine the Indemnitee's right to indemnification under this Agreement.

(e) "**Proceeding**" means any action, suit, arbitration, alternative dispute resolution mechanism, inquiry, judicial, administrative or legislative hearing, investigation or any other threatened, pending or completed proceeding, whether brought by or in the right of the Company or otherwise, including any and all appeals, whether of a civil, criminal, administrative, legislative, investigative or other nature, to which the Indemnitee was or is a party or is threatened to be made a party or is otherwise involved in by reason of the fact that the Indemnitee is or was a director, officer, employee, agent or trustee of the Company or while a director, officer, employee, agent or trustee of the Company is or was serving at the request of the Company as a director, officer, employee, agent or trustee of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (such status, the Indemnitee's "**Corporate Status**"), or by reason of anything done or not done by the Indemnitee in any such capacity, whether or not the Indemnitee is serving in such capacity at the time any expense, liability or loss is incurred for which indemnification or advancement can be provided under this Agreement.



2. Service by the Indemnitee. The Indemnitee shall serve and/or continue to serve as a director or officer of the Company faithfully and to the best of the Indemnitee's ability so long as the Indemnitee is duly elected or appointed and until such time as the Indemnitee's successor is elected and qualified or the Indemnitee is removed as permitted by applicable law or tenders a resignation in writing.

3. Indemnification and Advancement of Expenses. The Company shall indemnify and hold harmless the Indemnitee, and shall pay to the Indemnitee in advance of the final disposition of any Proceeding all Expenses incurred by the Indemnitee in defending any such Proceeding, to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended, all on the terms and conditions set forth in this Agreement. Without diminishing the scope of the rights provided by this Section, the rights of the Indemnitee to indemnification and advancement of Expenses provided hereunder shall include but shall not be limited to those rights hereinafter set forth, except that no indemnification or advancement of Expenses shall be paid to the Indemnitee:

(a) to the extent expressly prohibited by applicable law or the Fourth Amended and Restated Certificate of Incorporation of the Company (as may be amended or restated from time to time, the "**Certificate of Incorporation**") and the Bylaws;

(b) for and to the extent that payment is actually made to the Indemnitee under a valid and collectible insurance policy or under a valid and enforceable indemnity clause, provision of the certificate of incorporation or bylaws, or agreement of the Company or any other company or other enterprise (and the Indemnitee shall reimburse the Company for any amounts paid by the Company and subsequently so recovered by the Indemnitee); or

(c) in connection with an action, suit or proceeding, or part thereof voluntarily initiated by the Indemnitee (including claims and counterclaims, whether such counterclaims are asserted by (i) the Indemnitee or (ii) the Company in an action, suit or proceeding initiated by the Indemnitee), except a judicial proceeding pursuant to Section 11 to enforce rights under this Agreement, unless (A) the action, suit or proceeding, or part thereof, was authorized or ratified by the Board or the Board otherwise determines that indemnification or advancement of Expenses is appropriate or (B) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law.

4. Action or Proceedings Other than an Action by or in the Right of the Company. Except as limited by Section 3 above, the Indemnitee shall be entitled to the indemnification rights provided in this Section if the Indemnitee was or is a party or is threatened to be made a party to, or was or is otherwise involved in, any Proceeding (other than an action by or in the right of the Company) by reason of the Indemnitee's Corporate Status, or by reason of anything done or not done by the Indemnitee in any such capacity. Pursuant to this Section, the Indemnitee shall be indemnified against all expense, liability and loss (including judgments, fines, ERISA excise taxes or penalties, amounts paid in settlement by or on behalf of the Indemnitee and Expenses) actually and reasonably incurred by the Indemnitee, or on behalf of the Indemnitee, in connection with such Proceeding, if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal Proceeding, had no reasonable cause to believe his or her conduct was unlawful.

5. Indemnity in Proceedings by or in the Right of the Company. Except as limited by Section 3 above, the Indemnitee shall be entitled to the indemnification rights provided in this Section if the Indemnitee was or is a party or is threatened to be made a party to, or was or is otherwise involved in, any Proceeding brought by or in the right of the Company to procure a judgment in its favor by reason of the Indemnitee's Corporate Status, or by reason of anything done or not done by the Indemnitee in any such capacity. Pursuant to this Section, the Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by the Indemnitee, or on behalf of the Indemnitee, in connection with such Proceeding if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company; provided, however, that no such indemnification shall be made in respect of any claim, issue, or matter as to which the DGCL expressly prohibits such indemnification by reason of any adjudication of liability of the Indemnitee to the Company, unless and only to the extent that the Court of Chancery of the State of Delaware or the court in which such Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, the Indemnitee is entitled to indemnification for such expense, liability and loss as such court shall deem proper.

6. Indemnification for Costs, Charges and Expenses of Successful Party. Notwithstanding any limitations of Sections 3(c), 4 and 5 above, to the extent that the Indemnitee has been successful, on the merits or otherwise, in whole or in part, in defense of any Proceeding, or in defense of any claim, issue or matter therein, including, without limitation, the dismissal of any action without prejudice, or if it is ultimately determined, by final judicial decision of a court of competent jurisdiction from which there is no further right to appeal, that the Indemnitee is otherwise entitled to be indemnified against Expenses, the Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by the Indemnitee in connection therewith. For purposes of this Section and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

7. Partial Indemnification. If the Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the expense, liability and loss (including judgments, fines, ERISA excise taxes or penalties, amounts paid in settlement by or on behalf of the Indemnitee and Expenses) actually and reasonably incurred in connection with any Proceeding, or in connection with any judicial proceeding pursuant to Section 11 to enforce rights under this Agreement, but not, however, for all of the total amount thereof, the Company shall nevertheless indemnify the Indemnitee for the portion of such expense, liability and loss actually and reasonably incurred to which the Indemnitee is entitled.

8. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the maximum extent permitted by the DGCL, the Indemnitee shall be entitled to indemnification against all Expenses actually and reasonably incurred by the Indemnitee or on the Indemnitee's behalf if the Indemnitee appears as a witness, responds to a discovery request or otherwise incurs legal expenses as a result of or related to the Indemnitee's service as a director or officer of the Company, in any threatened, pending, or completed action, suit, arbitration, alternative dispute resolution mechanism, inquiry, judicial, administrative or legislative hearing, investigation or any other threatened, pending or completed proceeding, whether of a civil, criminal, administrative, legislative, investigative or other nature, to which the Indemnitee neither is, nor is threatened to be made, a party.

9. Determination of Entitlement to Indemnification. To receive indemnification under this Agreement, the Indemnitee shall submit a written request to the Secretary of the Company. Such request shall include documentation or information that is necessary for such determination and is reasonably available to the Indemnitee. Notwithstanding the foregoing, any failure of the Indemnitee to provide such a request to the Company, or to provide such a request in a timely fashion, shall not relieve the Company of any liability that it may have to the Indemnitee unless, and to the extent that, such failure actually and materially prejudices the interests of the Company. Upon receipt by the Secretary of the Company of a written request by the Indemnitee for indemnification pursuant to this Agreement, the entitlement of the Indemnitee to indemnification, to the extent not provided pursuant to the terms of this Agreement, shall be determined by the following person or persons who shall be empowered to make such determination (as selected by the Board, except with respect to Section 9(e) below): (a) the Board by a majority vote of Disinterested Directors, whether or not such majority constitutes a quorum; (b) a committee of Disinterested Directors designated by a majority vote of such directors, whether or not such majority constitutes a quorum; (c) if there are no Disinterested Directors, or if the Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee; (d) the stockholders of the Company or (e) in the event that a Change in Control has occurred, at the option of the Indemnitee, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee. Such Independent Counsel shall be selected by the Board and approved by the Indemnitee, except that in the event that a Change in Control has occurred, Independent Counsel shall be selected by the Indemnitee. Upon failure of the Board so to select such Independent Counsel or upon failure of the Indemnitee so to approve (or so to select, in the event a Change in Control has occurred), such Independent Counsel shall be selected upon application to a court of competent jurisdiction. The determination of entitlement to indemnification shall be made and, unless a contrary determination is made, such indemnification shall be paid in full by the Company not later than the earlier of (i) 60 calendar days after receipt by the Secretary of the Company of a written request for indemnification and (ii) 10 calendar days after determination has been made that the Indemnitee is entitled to indemnification pursuant to Section 10 of this Agreement. If the person making such determination shall determine that the Indemnitee is entitled to indemnification as to part (but not all) of the application for indemnification, such person shall reasonably prorate such partial indemnification among the claims, issues, or matters at issue at the time of the determination.

10. Presumptions and Effect of Certain Proceedings. The Secretary of the Company shall, promptly upon receipt of the Indemnitee's written request for indemnification, advise in writing the Board or such other person or persons empowered to make the determination as provided in Section 9 that the Indemnitee has made such request for indemnification. Upon making such request for indemnification, the Indemnitee shall be presumed to be entitled to indemnification hereunder and the Company shall have the burden of proof in making any determination contrary to such presumption. If the person or persons so empowered to make such determination shall have failed to make the requested determination with respect to indemnification within 60 calendar days after receipt by the Secretary of the Company of such request, a requisite determination of entitlement to indemnification shall be deemed to have been made and the Indemnitee shall be absolutely entitled to such indemnification, absent actual fraud in the request for indemnification. The termination of any Proceeding described in Sections 4 or 5 by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself (a) create a presumption that the Indemnitee did not act in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, or with respect to any criminal Proceeding, had reasonable cause to believe his or her conduct was unlawful or (b) otherwise adversely affect the rights of the Indemnitee to indemnification except as may be provided herein.

11. Remedies of the Indemnitee in Cases of Determination Not to Indemnify or to Advance Expenses; Right to Bring Suit In the event that a determination is made that the Indemnitee is not entitled to indemnification hereunder or if payment is not timely made following a determination of entitlement to indemnification pursuant to Sections 9 and 10, or if an advancement of Expenses is not timely made pursuant to Section 16, the Indemnitee may at any time thereafter bring suit against the Company seeking an adjudication of entitlement to such indemnification or advancement of Expenses, and any such suit shall be brought in the Court of Chancery of the State of Delaware unless, if the Indemnitee is an employee of the Company, otherwise required by the law of the state in which the Indemnitee primarily resides and works. The Company shall not oppose the Indemnitee's right to seek any such adjudication. In any suit brought by the Indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the Indemnitee to enforce a right to an advancement of Expenses), it shall be a defense that the Indemnitee did not act in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company and, with respect to any criminal Proceeding, had no reasonable cause to believe his or her conduct was unlawful. Further, in any suit brought by the Company to recover an advancement of Expenses pursuant to the terms of an undertaking, the Company shall be entitled to recover such Expenses upon a final judicial decision of a court of competent jurisdiction from which there is no further right to appeal that the Indemnitee has not met the standard of conduct described above. Neither the failure of the Company (including the Disinterested Directors, a committee of Disinterested Directors, Independent Counsel or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the Indemnitee is proper in the circumstances because the Indemnitee has met the standard of conduct described above, nor an actual determination by the Company (including the Disinterested Directors, a committee of Disinterested Directors, Independent Counsel or its stockholders) that the Indemnitee has not met the standard of conduct described above shall create a presumption that the Indemnitee has not met the standard of conduct described above, or, in the case of such a suit brought by the Indemnitee, be a defense to such suit. In any suit brought by the Indemnitee to enforce a right to indemnification or to an advancement of Expenses hereunder, or brought by the Company to recover an advancement of Expenses pursuant to the terms of an undertaking, the burden of proving that the Indemnitee is not entitled to be indemnified, or to such advancement of Expenses, under this Section 11 or otherwise shall be on the Company. If a determination is made or deemed to have been made pursuant to the terms of Section 9 or 10 that the Indemnitee is entitled to indemnification, the Company shall be bound by such determination and is precluded from asserting that such determination has not been made or that the procedure by which such determination was made is not valid, binding, and enforceable. The Company further agrees to stipulate in any court pursuant to this Section 11 that the Company is bound by all the provisions of this Agreement and is precluded from making any assertions to the contrary. If the court shall determine that the Indemnitee is entitled to any indemnification or advancement of Expenses hereunder, the Company shall pay all Expenses actually and reasonably incurred by the Indemnitee in connection with such adjudication (including, but not limited to, any appellate proceedings) to the fullest extent permitted by law, and in any suit brought by the Company to recover an advancement of Expenses pursuant to the terms of an undertaking, the Company shall pay all Expenses actually and reasonably incurred by the Indemnitee in connection with such suit to the extent the Indemnitee has been successful, on the merits or otherwise, in whole or in part, in defense of such suit, to the fullest extent permitted by law.

12. Non-Exclusivity of Rights; Survival of Rights; Insurance; Subrogation.

(a) The rights provided by this Agreement shall not be deemed exclusive of any other rights to which the Indemnitee may at any time be entitled under applicable law, the Certificate Incorporation or Bylaws, any agreement, a vote of stockholders, a resolution of the Board or otherwise. No amendment, alteration or repeal of this Agreement or of any provision of this Agreement shall limit or restrict any right of the Indemnitee under this Agreement in respect of any action taken or omitted by the Indemnitee in his or her Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in the DGCL, whether by statute or judicial decision, permits greater indemnification than would be afforded under the current Certificate Incorporation or Bylaws and this Agreement, it is the intent of the parties hereto that the Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees or agents or fiduciaries of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person serves at the request of the Company, the Company shall obtain coverage for the Indemnitee under such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any other director (if the Indemnitee is a director) or officer (if the Indemnitee is not a director but is an officer) of the Company under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms of this Agreement, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all commercially reasonable steps to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) In the event of any payment under this Agreement, [subject to the exception contained in Section 12(d) below,] the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company effectively to bring suit to enforce such rights.

(d) [The Company hereby acknowledges that Indemnitee has certain rights to indemnification, advancement of expenses and/or insurance provided by GNI Group Ltd., GNI Hong Kong Limited, GNI USA, Inc., Beijing Continent Pharmaceuticals Co., Ltd., Shanghai Genomics, Inc., Continent Pharmaceuticals Inc., Further Challenger International Limited and/or their affiliates (collectively, the “**Designee Indemnitors**”). The Company hereby agrees (i) that it is the indemnitor of first resort vis-à-vis the Designee Indemnitors (i.e., its obligations to Indemnitee are primary and any obligation of the Designee Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary), (ii) that it shall be required to advance the full amount of Expenses incurred by Indemnitee and shall be liable for the full amount of all indemnity amounts to the extent required by the terms of this Agreement and the Bylaws, without regard to any rights Indemnitee may have against the Designee Indemnitors, and (iii) notwithstanding any other provision in this Agreement or the Bylaws, that it irrevocably waives, relinquishes and releases the Designee Indemnitors from any and all claims against the Designee Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Designee Indemnitors on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing and the Designee Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Designee Indemnitors are express third-party beneficiaries of this Section 12(d).]

(e) The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that the Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

(f) The Company’s obligation to indemnify or advance Expenses hereunder to the Indemnitee who is or was serving at the request of the Company as a director, officer, employee or agent of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount the Indemnitee has actually received as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

13. Expenses to Enforce Agreement. In the event that the Indemnitee is subject to or intervenes in any action, suit, or proceeding in which the validity or enforceability of this Agreement is at issue or seeks an adjudication to enforce the Indemnitee’s rights under, or to recover damages for breach of, this Agreement, the Indemnitee, if the Indemnitee prevails in whole or in part in such action, suit or proceeding, shall be entitled to recover from the Company and shall be indemnified by the Company against any Expenses actually and reasonably incurred by the Indemnitee in connection therewith.

14. Continuation of Indemnity. All agreements and obligations of the Company contained herein shall continue during the period the Indemnitee is a director, officer, employee, agent or trustee of the Company or while a director, officer, employee, agent or trustee is serving at the request of the Company as a director, officer, employee, agent, or trustee of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan, and shall continue thereafter with respect to any possible claims based on the fact that the Indemnitee was a director, officer, employee, agent or trustee of the Company or was serving at the request of the Company as a director, officer, employee, agent or trustee of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan. This Agreement shall be binding upon all successors and assigns of the Company (including any transferee of all or substantially all of its assets and any successor by merger or operation of law) and shall inure to the benefit of the Indemnitee’s heirs, executors and administrators.

15. Notification and Defense of Proceeding. Promptly after receipt by the Indemnitee of notice of any Proceeding, the Indemnitee shall, if a request for indemnification or an advancement of Expenses in respect thereof is to be made against the Company under this Agreement, notify the Company in writing of the commencement thereof; but the omission so to notify the Company shall not relieve it from any liability that it may have to the Indemnitee unless, and to the extent that, such failure actually and materially prejudices the interests of the Company. Notwithstanding any other provision of this Agreement, with respect to any such Proceeding of which the Indemnitee notifies the Company:

(a) The Company shall be entitled to participate therein at its own expense;

(b) Except as otherwise provided in this Section 15(b), to the extent that it may wish, the Company, jointly with any other indemnifying party similarly notified, shall be entitled to assume the defense thereof, with counsel satisfactory to the Indemnitee. After notice from the Company to the Indemnitee of its election so to assume the defense thereof, the Company shall not be liable to the Indemnitee under this Agreement for any expenses of counsel subsequently incurred by the Indemnitee in connection with the defense thereof except as otherwise provided below. The Indemnitee shall have the right to employ the Indemnitee's own counsel in such Proceeding, but the fees and expenses of such counsel incurred after notice from the Company of its assumption of the defense thereof shall be at the expense of the Indemnitee unless (i) the employment of counsel by the Indemnitee has been authorized by the Company, (ii) the Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and the Indemnitee in the conduct of the defense of such Proceeding or (iii) the Company shall not within 60 calendar days of receipt of notice from the Indemnitee in fact have employed counsel to assume the defense of the Proceeding, in each of which cases the fees and expenses of the Indemnitee's counsel shall be at the expense of the Company. The Company shall not be entitled to assume the defense of any Proceeding brought by or on behalf of the Company or as to which the Indemnitee shall have made the conclusion provided for in (ii) above; and

(c) Notwithstanding any other provision of this Agreement, the Company shall not be liable to indemnify the Indemnitee under this Agreement for any amounts paid in settlement of any Proceeding effected without the Company's written consent, or for any judicial or other award, if the Company was not given an opportunity, in accordance with this Section 15, to participate in the defense of such Proceeding. The Company shall not settle any Proceeding in any manner that would impose any penalty or limitation on or disclosure obligation with respect to the Indemnitee, or that would directly or indirectly constitute or impose any admission or acknowledgment of fault or culpability with respect to the Indemnitee, without the Indemnitee's written consent. Neither the Company nor the Indemnitee shall unreasonably withhold its consent to any proposed settlement.

16. Advancement of Expenses. All Expenses incurred by the Indemnitee in defending any Proceeding described in Sections 4 or 5 shall be paid by the Company in advance of the final disposition of such Proceeding at the request of the Indemnitee. Notwithstanding the foregoing, the Company shall not advance or continue to advance Expenses to the Indemnitee if a determination is reasonably made that the facts known at the time such determination is made demonstrate clearly and convincingly that the Indemnitee acted in bad faith or in a manner that the Indemnitee did not reasonably believe to be in or not opposed to the best interests of the Company, or, with respect to any criminal Proceeding, that the Indemnitee had reasonable cause to believe his or her conduct was unlawful. Such determination shall be made: (i) by the Board by a majority vote of directors who are not parties to such proceeding, whether or not such majority constitutes a quorum; (ii) by a committee of such directors designated by a majority vote of such directors, whether or not such majority constitutes a quorum or (iii) if there are no such directors, or if such directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee. To receive an advancement of Expenses under this Agreement, the Indemnitee shall submit a written request to the Secretary of the Company. Such request shall reasonably evidence the Expenses incurred by the Indemnitee and shall include or be accompanied by an undertaking, by or on behalf of the Indemnitee, to repay all amounts so advanced if it shall ultimately be determined, by final judicial decision of a court of competent jurisdiction from which there is no further right to appeal, that the Indemnitee is not entitled to be indemnified for such Expenses by the Company as provided by this Agreement or otherwise. The Indemnitee's undertaking to repay any such amounts is not required to be secured. Each such advancement of Expenses shall be made within 20 calendar days after the receipt by the Secretary of the Company of such written request. The Indemnitee's entitlement to Expenses under this Agreement shall include those incurred in connection with any action, suit, or proceeding by the Indemnitee seeking an adjudication pursuant to Section 11 of this Agreement (including the enforcement of this provision) to the extent the court shall determine that the Indemnitee is entitled to an advancement of Expenses hereunder.

17. Severability; Prior Indemnification Agreements. If any provision or provisions of this Agreement shall be held to be invalid, illegal, or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law (a) the validity, legality and enforceability of such provision in any other circumstance and of the remaining provisions of this Agreement (including, without limitation, all portions of any paragraphs of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that are not by themselves invalid, illegal or unenforceable) and the application of such provision to other persons or entities or circumstances shall not in any way be affected or impaired thereby and (b) to the fullest extent possible, the provisions of this Agreement (including, without limitation, all portions of any paragraph of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent of the parties that the Company provide protection to the Indemnitee to the fullest enforceable extent set forth in this Agreement. This Agreement shall supersede and replace any prior indemnification agreements entered into by and between the Company and the Indemnitee and any such prior agreements shall be terminated upon execution of this Agreement.

18. Headings; References; Pronouns. The headings of the sections of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof. References herein to section numbers are to sections of this Agreement. All pronouns and any variations thereof shall be deemed to refer to the singular or plural as appropriate.

19. Other Provisions.

(a) This Agreement and all disputes or controversies arising out of or related to this Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without regard to the laws of any other jurisdiction that might be applied because of conflicts of laws principles of the State of Delaware, unless, if the Indemnitee is an employee of the Company, otherwise required by the law of the state in which the Indemnitee primarily resides and works.

(b) This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

(c) This Agreement shall not be deemed an employment contract between the Company and any Indemnitee who is an officer of the Company, and, if the Indemnitee is an officer of the Company, the Indemnitee specifically acknowledges that the Indemnitee may be discharged at any time for any reason, with or without cause, and with or without severance compensation, except as may be otherwise provided in a separate written contract between the Indemnitee and the Company.

(d) This Agreement may not be amended, modified or supplemented in any manner, whether by course of conduct or otherwise, except by an instrument in writing specifically designated as an amendment hereto, signed on behalf of each party. No failure or delay of either party in exercising any right or remedy hereunder shall operate as a waiver thereof, and no single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, or any course of conduct, shall preclude any other or further exercise thereof or the exercise of any other right or power.

[The remainder of this page is intentionally left blank.]



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

**GYRE THERAPEUTICS, INC.**

By: \_\_\_\_\_

Name:

Title:

\_\_\_\_\_  
Indemnitee:

[Signature Page To Indemnification Agreement]

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**EMPLOYMENT AGREEMENT**

THIS EMPLOYMENT AGREEMENT (this "Agreement"), dated as of October 30, 2023, by and between Gyre Therapeutics, Inc., a Delaware corporation (the "Company"), and Charles Wu (the "Executive").

**WITNESSETH:**

WHEREAS, the Company desires to employ the Executive and the Executive desires to be employed by the Company, upon the terms and conditions hereinafter set forth;

WHEREAS, effective as of the date hereof, this Agreement supersedes all prior agreements and understandings (including verbal agreements) between the Executive and the Company and/or its Affiliates (as such term is defined in the Business Combination Agreement (as defined below)) regarding the terms and conditions of the Executive's employment with the Company and/or its Affiliates; and

WHEREAS, following the closing of the transactions contemplated by that certain Business Combination Agreement, dated as of December 26, 2022, by and among Catalyst Biosciences, Inc., GNI USA, Inc., GNI Group Ltd. ("GNI Group"), GNI Hong Kong Limited, Shanghai Genomics, Inc. and the other parties thereto (the "Business Combination Agreement"), the Company and the Executive intend and agree to negotiate in good faith certain revisions to the compensation and benefits provided for herein, based on the recommendations with respect thereto made to the Company by a nationally recognized third-party compensation consultant, with such revisions, if any, to be memorialized in an amendment to this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, each intending to be legally bound hereby, agree as follows:

1. Employment. On the terms and subject to the conditions set forth herein, the Company hereby agrees to employ the Executive, and the Executive hereby agrees to accept such employment, for the Employment Term (as defined below). During the Employment Term, the Executive shall serve as the Chief Executive Officer of the Company and shall report to the Board of Directors of the Company (the "Board"), performing such duties and responsibilities as are customarily attendant to such position with respect to the business of the Company and its subsidiaries and such other duties and responsibilities normally accorded to such a position, as may from time to time be reasonably assigned by the Board.

2. Performance. The Executive shall serve the Company and its subsidiaries and Affiliates faithfully and to the best of his ability and, subject to Section 7, shall devote his full business time, energy, experience and talents to the business of the Company and its subsidiaries and Affiliates.

3. Employment Term. Subject to earlier termination pursuant to Section 7, the term of employment of the Executive hereunder shall begin on the date hereof (the "Commencement Date"), and shall continue through the date which is three (3) years following the Commencement Date; provided, however, that beginning on the three (3)-year anniversary of the Commencement Date, and on each subsequent anniversary of the Commencement Date, such term shall be automatically extended by an additional one (1)-year period, unless the Company or the Executive provides notice to the other party no less than sixty (60) days in advance of the expiration of the term, that it or he does not desire to extend the term of this Agreement, in which case, the term of employment hereunder shall terminate as of the end of the term, as applicable (the "Employment Term"); provided, however, that the provisions of Section 7 of this Agreement shall survive any termination of this Agreement or termination of the Executive's employment hereunder.

4. Principal Location. The Executive's principal place of employment shall be the Company's offices located at 12770 High Bluff Drive, Suite 150, San Diego, CA 92130 USA, subject to reasonable travel.

5. Compensation and Benefits.

(a) Base Salary. As compensation for his services hereunder, during the Employment Term, the Company shall pay the Executive a base salary, payable in equal installments in accordance with Company payroll procedures, at an annual rate of \$300,000 ("Base Salary"). The Executive's annual Base Salary is subject to increase to be mutually agreed by the Executive and the Company from time to time.

(b) Annual Bonus. The Executive shall be eligible to participate in the Company's annual bonus program in effect from time to time. The amount of such bonus ("Annual Bonus") shall be based on the performance of the Company and its Affiliates and/or Executive, with specific performance targets and amounts to be determined annually by the Board or the Compensation Committee of the Board.

(c) Benefits. During the Employment Term, the Executive shall, subject to and in accordance with the terms and conditions of the applicable plan documents and all applicable laws, be eligible to participate in all of the employee benefit plans, practices, policies and arrangements the Company makes available from time to time to its other similarly situated employees.

(d) Business Expenses. During the Employment Term, the Executive shall be reimbursed by the Company for all reasonable and necessary business expenses actually incurred by him in performing his duties hereunder. All payments under this paragraph (d) of this Section 5 will be made in accordance with policies established by the Company from time to time and subject to receipt by the Company of appropriate documentation.

6. Termination of Employment. The following terms shall govern (x) the termination of the Executive's employment, and (y) certain of the Executive's obligations following the Executive's termination of employment.

(a) Death; Disability. If the Executive's employment with the Company terminates by reason of the Executive's death or the Executive's Disability, then the Company will pay to the Executive's estate, in the case of the Executive's death, or to the Executive or the Executive's guardian, in the case of the Executive's Disability, the Executive's Accrued Compensation (as defined below) within 30 days after the Executive's termination (with the payment date during such 30 day period to be determined by the Company in its sole discretion, except as required by applicable law).

(b) Termination by the Company for Cause or Voluntary Termination by the Executive. If (i) the Company terminates the Executive's employment for Cause (as defined below), or (ii) the Executive voluntarily terminates the Executive's employment without Good Reason, then the Company shall pay the Executive's Accrued Compensation to the Executive through the date the Executive's employment terminates within the time period permitted by applicable law.

(c) Termination by the Company Without Cause or by the Executive for Good Reason. If the Executive's employment is terminated (i) by the Company without Cause and for a reason other than the Executive's death or Disability, or (ii) by the Executive for Good Reason, then the Company shall pay to the Executive within 30 days after the Executive's termination (with the payment date during such 30 day period to be determined by the Company in its sole discretion, except as required by applicable law) the Executive's Accrued Compensation. The Company shall also provide the following additional payments and benefits:

(1) The Company shall pay to the Executive a cash payment equal to the then-current Base Salary, payable in installments in accordance with the Company's standard payroll practice over a period of twelve (12) months after the date the Executive's employment terminates;

(2) To the extent the Executive and/or the Executive's covered dependent(s) timely elect to continue to participate in the Company's group health plan(s) pursuant to the Consolidated Omnibus Reconciliation Act of 1985, as amended ("COBRA") after the Executive's termination of employment, unless prohibited by applicable law, the Company will directly pay or reimburse the applicable COBRA premiums paid by the Executive and the Executive's covered dependent(s) so that the Executive and the Executive's covered dependent(s) enjoy coverage at the same benefit level and to the same extent and for the same effective contribution, if any, as participation is available to other executive officers of the Company, commencing on the date the Executive's employment terminates and ending on the earliest to occur of: (A) the twelve (12) month anniversary of such termination date, (B) the date the Executive first becomes eligible for group health insurance coverage for any reason, or (C) the date the Executive ceases to be eligible for COBRA continuation coverage for any reason, including plan termination; and

(3) Outstanding equity incentive awards with respect to shares of the Company's common stock held by the Executive that would have vested in the twelve (12) months following the date the Executive's employment terminates had the Executive remained employed by the Company will become fully vested as of the date the Executive's employment terminates.

(d) Other Programs. Except as otherwise provided in this Agreement, the Executive's entitlements under applicable plans and programs of the Company following termination of the Executive's employment will be determined under the terms of those plans and programs.

(e) Conditions to Receipt of Benefits Under Section 6. Notwithstanding anything in this Agreement to the contrary, other than the payment of the Executive's Accrued Compensation through the date of termination of the Executive's employment, the Executive shall not be entitled to any termination payments or benefits under this Section 6 unless and until the Executive (or the representative of the Executive's estate, in the case of termination due to the Executive's death) executes and delivers to the Company, within forty-five (45) days of the date of termination of the Executive's employment, a unilateral general release of all known and unknown claims against the Company and its officers, directors, employees, agents and Affiliates in a form acceptable to the Company, and such release becomes fully effective and irrevocable under applicable law. For the avoidance of doubt, in the event the Executive violates the restrictions set forth in Section 7 of this Agreement, the Company shall cease making or providing any payments or benefits otherwise payable or deliverable under this Section 6.

(f) Resignation as Officer or Director. Upon a termination of employment, unless requested otherwise by the Company, the Executive shall resign each position (if any) that the Executive then holds as a director or officer of the Company or of any Affiliates of the Company with the exception of any such positions concurrently held at other GNI Group companies. The Executive's execution of this Agreement shall be deemed the grant by the Executive to the officers of the Company of a limited irrevocable power of attorney (which is deemed coupled with an interest) to sign in the Executive's name and on the Executive's behalf any such documentation as may be required to be executed solely for the limited purposes of effectuating such resignations as an officer.

(g) Certain Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth herein:

(1) "Accrued Compensation" means (A) any Base Salary payable to the Executive pursuant to this Agreement, accrued up to and including the last day of the Executive's employment with the Company, (B) any employee benefits to which the Executive is entitled upon termination of his employment with the Company in accordance with the terms and conditions of the applicable plans of the Company, (C) reimbursement for any unreimbursed business expenses incurred by the Executive prior to his date of termination, and (D) to the extent permitted by law, less any advances made to the Executive.

(2) "Cause" shall mean the Executive's (A) indictment for, conviction of or plea of *nolo contendere* to any felony or other crime involving fraud, dishonesty or acts of moral turpitude, (B) commission of any act or omission involving dishonesty, disloyalty or fraud with respect to the Company or any of its customers or suppliers, (C) substantial failure to timely perform duties reasonably directed by the Board (other than due to the Executive's Disability), (D) engaging or having engaged in any acts constituting breach of fiduciary duty, gross negligence or willful misconduct with respect to the Company or any of the Executive's services provided hereunder, or (E) material breach of this Agreement, any other material agreement with the Company, or any internal policies or procedures of the Company in effect from time to time; provided, however, the conditions described in sub-clauses (C) and (E) above shall not constitute Cause unless the Company first provides written notice to the Executive of the occurrence of the applicable condition and the Executive fails to cure such condition within ten (10) days after receipt of such written notice and, if uncured, the termination shall be effective as of the end of such cure period.

(3) "Disability" means that (A) the Executive qualifies for long-term disability benefits under a long-term disability program sponsored by the Company in which employees participate generally or (B) if the Company does not sponsor such a long-term disability program, the Executive is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months.

(4) The Executive shall be deemed to have "Good Reason" to terminate the Executive's employment hereunder if, without the Executive's prior written consent, (i) the Company materially reduces the Executive's duties or responsibilities as Chief Executive Officer, (ii) the Company materially reduces Executive's then-current Base Salary or target annual incentive award as set forth herein (in each case, other than as part of an across-the-board reduction applicable to all "named executive officers" of the Company (as defined under Item 402 of Regulation S-K and to the extent employed by the Company at that time)), or (iii) the Company materially breaches a material term of this Agreement. Prior to terminating for Good Reason, the Executive shall be required to provide the Company with 30 days' advance written notice of the Executive's intention to terminate employment for Good Reason, and the Company shall be permitted to cure any events giving rise to such Good Reason during such 30 day period, after which, if such event remains uncured, the Executive's employment must terminate within 30 days.

7. Covenants of the Executive. The Executive acknowledges that in the course of his employment with the Company he has become and will continue to become familiar with the Company's and its subsidiaries' and Affiliates' trade secrets and with other confidential and proprietary information concerning the Company and its subsidiaries and Affiliates, and that his services are of special, unique and extraordinary value to the Company and its subsidiaries and Affiliates. Therefore, the Company and the Executive mutually agree that it is in the interest of both parties for the Executive to enter into the restrictive covenants set forth in this Section 7 to, among other things, protect the legitimate business interests of the Company and those of its subsidiaries and Affiliates, and that such restrictions and covenants contained in this Section 7 are reasonable in geographical and temporal scope and in all other respects given the nature and scope of the Executive's duties and the nature and scope of the Company's and its subsidiaries' and Affiliates' businesses and that such restrictions and covenants do not and will not unduly impair the Executive's ability to earn a living after termination of his employment with the Company. The Executive further acknowledges and agrees that (i) the Company would not have entered into this Agreement but for the restrictive covenants of the Executive set forth in this Section 7, and (ii) such restrictive covenants have been made by the Executive in order to induce the Company to enter into this Agreement. For purposes of this Agreement, "Company Group" shall mean the Company and its subsidiaries.

(a) During Employment. During the Employment Term, the Executive shall not engage in any other business activity that, in the reasonable judgment of the Board, conflicts with the duties of the Executive as an employee of the Company, whether or not such activity is pursued for gain, profit or other pecuniary advantage. Specifically, but without limiting the foregoing, the Executive agrees not to work or provide services, in any capacity, whether as a director, employee, independent contractor or otherwise, whether with or without compensation, to any individual or entity. During the Employment Term, the Executive shall not be party to any agreement or understanding, written or oral and will not be subject to or agree to or enter into any restriction, which in either case, could prevent the Executive from entering into this Agreement or performing the duties and obligations hereunder.

(b) Post-Employment Restrictions. During the Employment Term and for a period of twelve (12) months following the termination of the Executive's employment with the Company Group, the Executive will not, and will not assist any other individual or entity to, (i) solicit for hire any current employee, representative, independent contractor, consultant or agent of any member of the Company Group or any individual who served in any such capacity in the previous twelve (12) months (each such individual, a "Service Provider"), (ii) induce or attempt to induce any employee, representative, independent contractor, consultant or agent of any member of the Company Group to terminate his or her relationship with the Company Group, or (iii) take any action to materially assist or aid any other person in soliciting for or attempting to hire or hiring any Service Provider.

(c) Confidential Information.

(i) The Executive will not, and will use his reasonable best efforts to cause his Affiliates not to, directly or indirectly, use, make available, sell, disclose or otherwise communicate to any person, other than in the course of the Executive's assigned duties and for the benefit of the Company Group, any Confidential Information. The foregoing will not apply to information that (i) is or was known to the public prior to its disclosure to the Executive; (ii) becomes generally known to the public subsequent to disclosure to the Executive through no wrongful act of the Executive or any of his Affiliates; (iii) the Executive or his Affiliates is required to disclose by applicable law, regulation, recognized subpoena power, any governmental body or any other legal process (provided that to the extent permitted by applicable law, recognized subpoena power, any governmental body or any other legal process, the Executive or his Affiliates, as applicable, provide the Company with prior notice of the contemplated disclosure and cooperate with the Company at its expense in seeking a protective order or other appropriate protection of such information); (iv) is lawfully acquired by the Executive from sources which are not prohibited from disclosing such information; or (v) is reasonably required to be disclosed by the Executive in any proceeding to enforce the Executive's rights under this Agreement or any other agreement between the Executive and any member of the Company Group or any of their respective Affiliates. The Executive understands that this restriction shall continue to apply after his employment terminates, regardless of the reason for such termination. The confidentiality obligation under this Section 7 shall not apply to information which is generally known or readily available to the public at the time of disclosure or becomes generally known through no wrongful act on the part of the Executive or any other person having an obligation of confidentiality to the Company or any of its Affiliates. For purposes of this Section 7, "Confidential Information" means any proprietary information concerning the business, and the Company Group, including, without limitation: all data, information, ideas, concepts, discoveries, trade secrets, inventions (whether or not patentable or reduced to practice), innovations, improvements, know-how, developments, techniques, methods, processes, treatments, drawings, sketches, specifications, designs, patterns, models, plans and strategies, and all other confidential or proprietary information or trade secrets in any form or medium (whether merely remembered or embodied in a tangible or intangible form or medium) whether now or hereafter existing, relating to or arising from the past, current or potential business, activities and/or operations of the Company Group, including, without limitation, any such information relating to or concerning finances, sales, marketing, advertising, transition, promotions, pricing, personnel, customers, suppliers, vendors, partners and/or competitors.

(ii) All documents, records, tapes and other media of every kind and description relating to the Confidential Information of the Company Group and any copies, in whole or in part, thereof (the "Documents"), whether or not prepared by the Executive, shall be the sole and exclusive property of the Company and its Affiliates. The Executive shall safeguard all Documents and shall surrender to the Company at the time his employment terminates, or at such earlier time or times as the Board may specify, all Documents then in the Executive's possession or control. Notwithstanding the foregoing, the Executive shall be permitted to retain: (A) personal papers and other materials of a personal nature, (B) information showing the Executive's Base Salary, Annual Bonus, or relating to reimbursement of expenses, (C) copies of plans, programs and agreements relating to Executive's employment, or termination thereof, with the Company which the Executive received in the Executive's capacity as a participant, (D) copies of this Agreement, and any other written agreement between the Executive and the Company, and (E) any personal contacts; provided, however, that in each case of subsections (A) through (E), such papers or materials do not include any Confidential Information as defined herein.

(iii) 18 U.S.C. § 1833(b) provides: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, the parties to this Agreement have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.

(d) Company IP: Work Product. The Executive hereby assigns and agrees to assign to the Company (or as otherwise directed by the Company) the Executive's full right, title and interest in and to all Intellectual Property (as defined below) which now exists or which hereafter arises. The Executive agrees to execute any and all applications for domestic and foreign patents, copyrights or other proprietary rights and to do such other acts (including without limitation the execution and delivery of instruments of further assurance or confirmation) requested by the Company to assign the Intellectual Property to the Company and to permit the Company to enforce any patents, copyrights or other proprietary rights to the Intellectual Property. The Executive will not charge the Company for time spent in complying with these obligations during the Employment Term. All copyrightable works that the Executive creates that relate to either the products of the Company or any of its Affiliates or that make use of Confidential Information shall be considered "work made for hire" and shall, upon creation, be owned exclusively by the Company. For purposes of this Section 7, "Intellectual Property" means inventions, discoveries, developments, methods, processes, compositions, works, concepts and ideas (whether or not patentable or copyrightable or constituting trade secrets) conceived, made, created, developed or reduced to practice by the Executive (whether alone or with others, whether or not during normal business hours or on or off Company premises) during the Executive's employment that relate to either the products of the Company or any of its Affiliates or that make use of Confidential Information or any of the equipment or facilities of the Company or any of its Affiliates.



(e) Non-disparagement.

(i) During the Employment Term and thereafter, the Executive shall not, directly or indirectly, in his capacity or through any other person or entity, make negative comments about or otherwise disparage the Company, its Affiliates, or any of their respective officers, directors, employees, shareholders, members, agents or products.

(ii) Nothing contained in this Section 7(e) shall preclude the Executive or any of his Affiliates from exercising protected legal rights to the extent that such rights cannot be waived by agreement or from providing truthful statements in any filing or submission to any judicial, administrative or arbitral body (including in any deposition held in connection with any proceedings by or before any such person) or in response to any governmental agency, rulemaking authority, subpoena power, legal process, required governmental testimony or filings.

(f) Enforcement. The parties acknowledge that a breach of the covenants and agreements contained in this Section 7 would cause irreparable damage, the exact amount of which would be difficult to ascertain, and that the remedies at law for any such breach or threatened breach would be inadequate. Accordingly, the Executive agrees that if he breaches or threatens to breach any of the covenants or agreements contained in this Section 7, in addition to any other remedy which may be available at law or in equity, the Company and its subsidiaries and Affiliates shall be entitled to institute and prosecute proceedings in any court of competent jurisdiction for specific performance and injunctive and other equitable relief to prevent the breach or any threatened breach thereof without bond or other security or a showing of irreparable harm or lack of an adequate remedy at law, and an equitable accounting by any court of competent jurisdiction of all profits or benefits arising out of such violation.

(g) Scope of Covenants; Separate and Independent Covenants. The Company and the Executive further acknowledge that the time, scope, geographic area and other provisions of this Section 7 have been specifically negotiated by sophisticated commercial parties and agree that they consider the restrictions and covenants contained in this Section 7 to be reasonable and necessary for the protection of the interests of the Company and its subsidiaries and Affiliates, but if any such restriction or covenant shall be held by any court of competent jurisdiction to be void but would be valid if deleted in part or reduced in application, such restriction or covenant shall apply in such jurisdiction with such deletion or modification as may be necessary to make it valid and enforceable. The Executive acknowledges and agrees that the restrictions and covenants contained in this Section 7 shall be construed for all purposes to be separate and independent from any other covenant, whether in this Agreement or otherwise, and shall each be capable of being reduced in application or severed without prejudice to the other restrictions and covenants or to the remaining provisions of this Agreement. The existence of any claim or cause of action by the Executive against the Company or its subsidiaries and Affiliates, whether predicated upon this Agreement or otherwise, shall not excuse the Executive's breach of any covenants, agreements or obligations contained in this Section 7 and shall not constitute a defense to the enforcement by the Company or any of its subsidiaries of such covenants, agreements and obligations.

(h) Enforceability. If any court holds any of the restrictions or covenants contained in this Section 7 to be unenforceable by reason of their breadth or scope or otherwise, it is the intention of the parties hereto that such determination not bar or in any way affect the right of the Company and its subsidiaries and Affiliates to the relief provided in this Section 7 in the courts of any other jurisdiction within the geographic scope of such restrictions and covenants.

(i) Whistleblower Protection. Notwithstanding anything to the contrary contained herein, no provision of this Agreement shall be interpreted so as to impede the Executive (or any other individual) from reporting possible violations of federal law or regulation to any governmental agency or entity, including but not limited to the Department of Justice, the Securities and Exchange Commission, the Congress, and any agency Inspector General, or making other disclosures under the whistleblower provisions of federal law or regulation. The Executive does not need the prior authorization of the Company to make any such reports or disclosures and the Executive shall not be required to notify the Company that such reports or disclosures have been made.

8. Notices. All notices, requests, demands, claims, consents and other communications which are required, permitted or otherwise delivered hereunder shall in every case be in writing and shall be deemed properly served if: (a) delivered personally, (b) sent by registered or certified mail, in all such cases with first class postage prepaid, return receipt requested, (c) delivered by a recognized overnight courier service, or (d) transmitted by email, to the parties at the addresses as set forth below:

If to the Company:

Gyre Therapeutics, Inc.  
12770 High Bluff Drive, Suite 150  
San Diego, CA 92130 USA

With a copy to:

Gibson, Dunn & Crutcher LLP  
555 Mission Street Suite 3000  
San Francisco, CA 94105-0921  
Attn: Branden Berns, [BBerns@gibsondunn.com](mailto:BBerns@gibsondunn.com)

If to the Executive:

At the Executive's principal residence address as maintained by the Company in the regular course of its business for payroll purposes

or to such other address as shall be furnished in writing by either party to the other party; provided that such notice or change in address shall be effective only when actually received by the other party. Date of service of any such notices or other communications shall be: (a) the date such notice is personally delivered or transmitted by email (which electronic confirmation of transmission is received), (b) three (3) days after the date of mailing if sent by certified or registered mail, or (c) one (1) business day after date of delivery to the overnight courier if sent by overnight courier.

9. Jurisdiction: Venue. Except as otherwise provided in Section 7(f) in connection with equitable remedies, each of the parties hereto hereby irrevocably submits to the exclusive jurisdiction of any federal or state court located in the State of Delaware over any suit, action, dispute or proceeding arising out of or relating to this Agreement and each of the parties agrees that any action relating in any way to this Agreement must be commenced only in the courts located in the State of Delaware, federal or state. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted or not prohibited by law, any objection which it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in such a court and any claim that any such suit, action or proceeding brought in such a court has been brought in an inconvenient forum. Each of the parties hereto hereby irrevocably consents to the service of process in any suit, action or proceeding by sending the same by certified mail, return receipt requested, or by recognized overnight courier service, to the address of such party set forth in Section 8. With respect to any order obtained in accordance with this Section 9, any party hereto may enforce such order in any court having personal jurisdiction over the party against whom the order shall be enforced.

10. Waiver of Jury Trial. **THE PARTIES TO THIS AGREEMENT EACH HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION (I) ARISING UNDER THIS AGREEMENT OR (II) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY, OR OTHERWISE. THE PARTIES TO THIS AGREEMENT EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.**

11. Section 409A.

(a) The intent of the parties is that payments and benefits under this Agreement comply with or be exempt from Section 409A of the Code and the regulations and guidance promulgated thereunder (collectively "Code Section 409A"), and this Agreement and any associated documents shall be interpreted and construed in a manner that establishes an exemption from (or compliance with) the requirements of Code Section 409A. Any terms of this Agreement that are undefined or ambiguous shall be interpreted in a manner that complies with Code Section 409A to the extent necessary to comply with Code Section 409A. If for any reason, such as imprecision in drafting, any provision of this Agreement (or of any award of compensation, including, without limitation, equity compensation or benefits) does not accurately reflect its intended establishment of an exemption from (or compliance with) Code Section 409A, as demonstrated by consistent interpretations or other evidence of intent, such provision shall be considered ambiguous as to its exemption from (or compliance with) Code Section 409A and shall be interpreted in a manner consistent with such intent, as determined in the reasonable discretion of the Company. If, notwithstanding the foregoing provisions of this Section 11(a), any provision of this Agreement would cause the Executive to incur any additional tax or interest under Code Section 409A, the Company shall, after consulting with the Executive, interpret or reform such provision in a manner intended to avoid the incurrence by the Executive of any such additional tax or interest; provided that the Company agrees to maintain, to the maximum extent practicable, the original intent and economic benefit to the Executive of the applicable provision without violating the provisions of Code Section 409A.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that the Company determines may be considered nonqualified deferred compensation under Code Section 409A upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A, and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean such a separation from service. The determination of whether and when a separation from service has occurred for purposes of this Agreement shall be made in accordance with the presumptions set forth in Section 1.409A-1(h) of the Treasury Regulations.

(c) Notwithstanding any other provision of this Agreement, to the extent required to comply with Code Section 409A (as determined by the Company), if the Executive is a "specified employee," as determined by the Company, as of his date of termination, then all amounts due under this Agreement that constitute a "deferral of compensation" within the meaning of Code Section 409A, that are provided as a result of a "separation from service" within the meaning of Code Section 409A, and that would otherwise be paid or provided during the first six months following the Executive's date of termination, shall be accumulated through and paid or provided on the first business day that is more than six months after the Executive's date of termination (or, if the Executive dies during such six month period, within 90 days after Executive's death).

(d) Any reimbursements provided under this Agreement that constitute deferred compensation within the meaning of Code Section 409A shall be made or provided in accordance with the requirements of Code Section 409A, including, without limitation, that (i) in no event shall any fees, expenses or other amounts eligible to be reimbursed by the Company under this Agreement be paid later than the last day of the calendar year next following the calendar year in which the applicable fees, expenses or other amounts were incurred; (ii) the amount of expenses eligible for reimbursement in any given calendar year shall not affect the expenses that the Company is obligated to reimburse in any other calendar year, provided that the foregoing clause (ii) shall not be violated with regard to expenses reimbursed under any arrangement covered by Code Section 105(b) solely because such expenses are subject to a limit related to the period the arrangement is in effect; (iii) the Executive's right to have the Company pay or provide such reimbursements may not be liquidated or exchanged for any other benefit; and (iv) in no event shall the Company's obligations to make such reimbursements apply later than the Executive's remaining lifetime (or if longer, through the sixth (6th) anniversary of the Commencement Date).

(e) For purposes of Code Section 409A, the Executive's right to receive any installment payments shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (for example, "payment shall be made within thirty (30) days following the date of termination"), the actual date of payment within the specified period shall not be within the discretion of the Executive. In no event may the Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement, to the extent such payment is subject to Code Section 409A.

(f) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Code Section 409A but do not satisfy an exemption from, or the conditions of, Code Section 409A.

12. Excise Taxes. Notwithstanding anything to the contrary in this Agreement, if the Executive is a "disqualified individual" (as defined in Section 280G(c) of the Code), and the payments and benefits provided for under this Agreement, together with any other payments and benefits which the Executive has the right to receive from the Company of any of its Affiliates, would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then the payments and benefits provided for under this Agreement shall be either (a) reduced (but not below zero) so that the present value of such total amounts and benefits received by the Executive from the Company and its Affiliates will be one dollar (\$1.00) less than three times the Executive's "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by the Executive shall be subject to the excise tax imposed by Section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to the Executive (taking into account any applicable excise tax under Section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits hereunder, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash hereunder in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in kind hereunder in a similar order. The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary shall be made by a nationally recognized public accounting firm selected by the Company in good faith and approved by the Executive, which approval shall not be unreasonably withheld. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits from the Company or its Affiliates used in determining if a parachute payment exists, exceeds one dollar (\$1.00) less than three times the Executive's base amount, then the Executive shall immediately repay such excess to the Company upon notification that an overpayment has been made.

13. General.

(a) Governing Law. This Agreement and the legal relations thus created between the parties hereto shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the State of Delaware.

(b) Construction and Severability. Whenever possible, each provision of this Agreement shall be construed and interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by, or invalid, illegal or unenforceable in any respect under, any applicable law or rule in any jurisdiction, such prohibition, invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other jurisdiction, and the parties undertake to implement all efforts which are necessary, desirable and sufficient to amend, supplement or substitute all and any such prohibited, invalid, illegal or unenforceable provisions with enforceable and valid provisions in such jurisdiction which would produce as nearly as may be possible the result previously intended by the parties without renegotiation of any material terms and conditions stipulated herein.

(c) Cooperation. During the Employment Term and five (5) years thereafter, the Executive shall reasonably cooperate with the Company and be reasonably available to the Company with respect to continuing and/or future matters related to the Executive's Employment Term with the Company and/or its subsidiaries or Affiliates, whether such matters are business-related, legal, regulatory or otherwise (including, without limitation, the Executive appearing at the Company's request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company all pertinent information and turning over to the Company all relevant documents which are or may come into the Executive's possession); provided that, the Company shall make reasonable efforts to minimize disruption of the Executive's other activities. The Company shall reimburse the Executive for any reasonable travel and other expenses that he incurs on the Company's behalf as a result of compliance with this Section 13(c), after receipt of appropriate documentation consistent with the Company's business expense reimbursement policy.

(d) Successors and Assigns. This Agreement shall bind and inure to the benefit of and be enforceable by the Company and its successors and assigns and the Executive and the Executive's heirs, executors, administrators, and successors; provided that the services provided by the Executive under this Agreement are of a personal nature, and the Executive may not sell, convey, assign, delegate, transfer or otherwise dispose of, directly or indirectly, any of the rights, claims, powers, interests or obligations of the Executive under this Agreement; provided further that the Company may assign this Agreement to, and all rights hereunder shall inure to the benefit of, any subsidiary or Affiliate of the Company or any person, firm or corporation resulting from the reorganization of the Company or succeeding to the business or assets of the Company by purchase, merger, consolidation or otherwise and, in such event, all references herein to the Company shall refer to such assignee; provided further that such surviving, resulting, or acquiring entity shall in writing assume and agree to perform all of the obligations of the Company under this Agreement. Any purported assignment of this Agreement in violation of the foregoing shall be null and void.

(e) Executive's Representations. The Executive hereby represents and warrants to the Company that: (i) the execution, delivery and performance of this Agreement by the Executive do not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which the Executive is a party or by which the Executive is bound; (ii) the Executive is not a party to or bound by any employment agreement, noncompetition or nonsolicitation agreement or confidentiality agreement with any other person or entity besides the Company; (iii) the Executive is not subject to any restriction whatsoever that would cause him to not be able fully to fulfill his duties under this Agreement; (iv) the Executive is not a party to, or involved in, or under investigation in, any pending or, to the best of the Executive's knowledge, threatened litigation, proceeding or investigation of any governmental body or authority or any other person; (v) the Executive has never been suspended, censured or otherwise subjected to any disciplinary action or other proceeding by any state, other governmental entity, agency or self-regulatory organization and (vi) upon the execution and delivery of this Agreement by the Company, this Agreement shall be the valid and binding obligation of the Executive, enforceable in accordance with its terms. **THE EXECUTIVE HEREBY ACKNOWLEDGES AND REPRESENTS THAT THE EXECUTIVE HAS CONSULTED WITH INDEPENDENT LEGAL COUNSEL REGARDING THE EXECUTIVE'S RIGHTS AND OBLIGATIONS UNDER THIS AGREEMENT TO THE EXTENT DETERMINED NECESSARY OR APPROPRIATE BY THE EXECUTIVE, AND THAT THE EXECUTIVE FULLY UNDERSTANDS THE TERMS AND CONDITIONS CONTAINED HEREIN.**

(f) Compliance with Rules and Policies. The Executive shall perform all services in accordance with the lawful policies, procedures and rules established by the Company and the Board, provided that such policies, procedures and/or rules are made available to the Executive in writing. In addition, the Executive shall comply with all laws, rules and regulations that are generally applicable to the Company or its subsidiaries or Affiliates and their respective employees, directors and officers.

(g) Forfeiture. Notwithstanding any other provision of this Agreement to the contrary, any payments or benefits under this Agreement or any incentive or other compensation plan or program of the Company or its Affiliates shall be subject to any forfeiture, repayment or recoupment policy of the Company, as in effect from time to time, that are required by applicable law.

(h) Withholding Taxes. All amounts payable hereunder shall be subject to the withholding of all applicable taxes and deductions required by any applicable law.

(i) Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and terminates and supersedes any and all prior agreements, understandings and representations, whether written or oral, by or between the parties hereto or their current or former Affiliates which relate or may have related to the provision of services in any way, and any other existing employment, consulting or change of control agreement, which are hereby terminated and cancelled and of no further force or effect as of the date hereof, without the payment of any additional consideration by or to either of the parties hereto. The Executive acknowledges that no representations, warranties, promises, covenants, agreements or obligations, oral or written, have been made other than those expressly stated herein, and in the other documents delivered by the parties in connection herewith, and that he has not relied on any other representations, warranties, promises, covenants, agreements or obligations in signing this Agreement.

(j) Duration. Notwithstanding the Employment Term hereunder, this Agreement shall continue for so long as any obligations remain under this Agreement.

(k) Survival. The provisions of Sections 6, 9, 10, 11, 12 and 13 of this Agreement shall survive and shall continue to be binding upon the Executive notwithstanding the termination of this Agreement for any reason whatsoever.

(l) Amendment; Modification; Waiver. The provisions of this Agreement may be modified, amended or waived only in a document signed by the parties hereto and referring specifically hereto, and no handwritten changes to this Agreement will be binding unless initialed by each party. No course of conduct or course of dealing or failure or delay by any party hereto in enforcing or exercising any of the provisions of this Agreement (including, without limitation, the Company's right to terminate the Agreement for Cause) shall affect the validity, binding effect or enforceability of this Agreement or be deemed to be an implied waiver of any similar or dissimilar requirement, provision or condition of this Agreement at the same or any prior or subsequent time. Pursuit by either party of any available remedy, either in law or equity, or any action of any kind, does not constitute waiver of any other remedy or action. Such remedies and actions are cumulative and not exclusive.

(m) Counterparts. This Agreement may be executed by the parties in counterparts, each of which shall be an original and all of which taken together shall constitute one instrument.

(n) Section References. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose. The words Section and paragraph herein shall refer to provisions of this Agreement unless expressly indicated otherwise.

(o) No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring either party hereto by virtue of the authorship of any of the provisions of this Agreement.

(p) No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement and their respective heirs, executors, administrators, successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

***[END OF TEXT – SIGNATURE PAGE FOLLOWS]***



IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have hereunto executed this Agreement as of the day and year first written above.

COMPANY:

GYRE THERAPEUTICS, INC.

Date: October 30, 2023

By: /s/ Ruoyu Chen  
Name: Ruoyu Chen  
Title: Interim Chief Financial Officer

EXECUTIVE:

Date: October 30, 2023

/s/ Charles Wu, Ph.D.  
Charles Wu, Ph.D.

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**EMPLOYMENT AGREEMENT**

THIS EMPLOYMENT AGREEMENT (this "Agreement"), dated as of October 30, 2023, by and between Gyre Therapeutics, Inc., a Delaware corporation (the "Company"), and Ruoyu Chen (the "Executive").

**WITNESSETH:**

WHEREAS, the Company desires to employ the Executive and the Executive desires to be employed by the Company, upon the terms and conditions hereinafter set forth;

WHEREAS, effective as of the date hereof, this Agreement supersedes all prior agreements and understandings (including verbal agreements) between the Executive and the Company and/or its Affiliates (as such term is defined in the Business Combination Agreement (as defined below)) regarding the terms and conditions of the Executive's employment with the Company and/or its Affiliates; and

WHEREAS, following the closing of the transactions contemplated by that certain Business Combination Agreement, dated as of December 26, 2022, by and among Catalyst Biosciences, Inc., GNI USA, Inc., GNI Group Ltd. ("GNI Group"), GNI Hong Kong Limited, Shanghai Genomics, Inc. and the other parties thereto ("the Business Combination Agreement"), the Company and the Executive intend and agree to negotiate in good faith certain revisions to the compensation and benefits provided for herein, based on the recommendations with respect thereto made to the Company by a nationally recognized third-party compensation consultant, with such revisions, if any, to be memorialized in an amendment to this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, each intending to be legally bound hereby, agree as follows:

1. Employment. On the terms and subject to the conditions set forth herein, the Company hereby agrees to employ the Executive, and the Executive hereby agrees to accept such employment, for the Employment Term (as defined below). During the Employment Term, the Executive shall serve as the Interim Chief Financial Officer of the Company and shall report to the Chief Executive Officer of the Company, performing such duties and responsibilities as are customarily attendant to such position with respect to the business of the Company and its subsidiaries and such other duties and responsibilities normally accorded to such a position, as may from time to time be reasonably assigned by the Chief Executive Officer of the Company or the Board of Directors of the Company (the "Board"). Unless otherwise determined by the Board, the Executive shall become Chief Financial Officer of the Company, reporting to the Chief Executive Officer of the Company, effective November 15, 2023.

2. Performance. The Executive shall serve the Company and its subsidiaries and Affiliates faithfully and to the best of her ability and, subject to Section 7, shall devote her full business time, energy, experience and talents to the business of the Company and its subsidiaries and Affiliates.

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3. Employment Term. Subject to earlier termination pursuant to Section 7, the term of employment of the Executive hereunder shall begin on the date hereof (the "Commencement Date"), and shall continue through the date which is three (3) years following the Commencement Date; provided, however, that beginning on the three (3)-year anniversary of the Commencement Date, and on each subsequent anniversary of the Commencement Date, such term shall be automatically extended by an additional one (1)-year period, unless the Company or the Executive provides notice to the other party no less than sixty (60) days in advance of the expiration of the term, that it or she does not desire to extend the term of this Agreement, in which case, the term of employment hereunder shall terminate as of the end of the term, as applicable (the "Employment Term"); provided, however, that the provisions of Section 7 of this Agreement shall survive any termination of this Agreement or termination of the Executive's employment hereunder.

4. Principal Location. The Executive's principal place of employment shall be the Company's offices located at 12770 High Bluff Drive, Suite 150, San Diego, CA 92130 USA, subject to reasonable travel.

5. Compensation and Benefits.

(a) Base Salary. As compensation for her services hereunder, during the Employment Term, the Company shall pay the Executive a base salary, payable in equal installments in accordance with Company payroll procedures, at an annual rate of \$250,000 ("Base Salary"). The Executive's annual Base Salary is subject to increase to be mutually agreed by the Executive and the Company from time to time.

(b) Annual Bonus. The Executive shall be eligible to participate in the Company's annual bonus program in effect from time to time. The amount of such bonus ("Annual Bonus") shall be based on the performance of the Company and its Affiliates and/or Executive, with specific performance targets and amounts to be determined annually by the Board or the Compensation Committee of the Board.

(c) Benefits. During the Employment Term, the Executive shall, subject to and in accordance with the terms and conditions of the applicable plan documents and all applicable laws, be eligible to participate in all of the employee benefit plans, practices, policies and arrangements the Company makes available from time to time to its other similarly situated employees.

(d) Business Expenses. During the Employment Term, the Executive shall be reimbursed by the Company for all reasonable and necessary business expenses actually incurred by her in performing her duties hereunder. All payments under this paragraph (d) of this Section 5 will be made in accordance with policies established by the Company from time to time and subject to receipt by the Company of appropriate documentation.

6. Termination of Employment. The following terms shall govern (x) the termination of the Executive's employment, and (y) certain of the Executive's obligations following the Executive's termination of employment.

(a) Death; Disability. If the Executive's employment with the Company terminates by reason of the Executive's death or the Executive's Disability, then the Company will pay to the Executive's estate, in the case of the Executive's death, or to the Executive or the Executive's guardian, in the case of the Executive's Disability, the Executive's Accrued Compensation (as defined below) within 30 days after the Executive's termination (with the payment date during such 30 day period to be determined by the Company in its sole discretion, except as required by applicable law).

(b) Termination by the Company for Cause or Voluntary Termination by the Executive. If (i) the Company terminates the Executive's employment for Cause (as defined below), or (ii) the Executive voluntarily terminates the Executive's employment without Good Reason (as defined below), then the Company shall pay the Executive's Accrued Compensation to the Executive through the date the Executive's employment terminates within the time period permitted by applicable law.

(c) Termination by the Company Without Cause or by the Executive for Good Reason. If the Executive's employment is terminated (i) by the Company without Cause and for a reason other than the Executive's death or Disability, or (ii) by the Executive for Good Reason, then the Company shall pay to the Executive within 30 days after the Executive's termination (with the payment date during such 30 day period to be determined by the Company in its sole discretion, except as required by applicable law) the Executive's Accrued Compensation. The Company shall also provide the following additional payments and benefits:

(1) The Company shall pay to the Executive a cash payment equal to the then-current Base Salary, payable in installments in accordance with the Company's standard payroll practice over a period of twelve (12) months after the date the Executive's employment terminates;

(2) To the extent the Executive and/or the Executive's covered dependent(s) timely elect to continue to participate in the Company's group health plan(s) pursuant to the Consolidated Omnibus Reconciliation Act of 1985, as amended ("COBRA") after the Executive's termination of employment, unless prohibited by applicable law, the Company will directly pay or reimburse the applicable COBRA premiums paid by the Executive and the Executive's covered dependent(s) so that the Executive and the Executive's covered dependent(s) enjoy coverage at the same benefit level and to the same extent and for the same effective contribution, if any, as participation is available to other executive officers of the Company, commencing on the date the Executive's employment terminates and ending on the earliest to occur of: (A) the twelve (12) month anniversary of such termination date, (B) the date the Executive first becomes eligible for group health insurance coverage for any reason, or (C) the date the Executive ceases to be eligible for COBRA continuation coverage for any reason, including plan termination; and

(3) Outstanding equity incentive awards with respect to shares of the Company's common stock held by the Executive that would have vested in the twelve (12) months following the date the Executive's employment terminates had the Executive remained employed by the Company will become fully vested as of the date the Executive's employment terminates.

(d) Other Programs. Except as otherwise provided in this Agreement, the Executive's entitlements under applicable plans and programs of the Company following termination of the Executive's employment will be determined under the terms of those plans and programs.

(e) Conditions to Receipt of Benefits Under Section 6. Notwithstanding anything in this Agreement to the contrary, other than the payment of the Executive's Accrued Compensation through the date of termination of the Executive's employment, the Executive shall not be entitled to any termination payments or benefits under this Section 6 unless and until the Executive (or the representative of the Executive's estate, in the case of termination due to the Executive's death) executes and delivers to the Company, within forty-five (45) days of the date of termination of the Executive's employment, a unilateral general release of all known and unknown claims against the Company and its officers, directors, employees, agents and Affiliates in a form acceptable to the Company, and such release becomes fully effective and irrevocable under applicable law. For the avoidance of doubt, in the event the Executive violates the restrictions set forth in Section 7 of this Agreement, the Company shall cease making or providing any payments or benefits otherwise payable or deliverable under this Section 6.

(f) Resignation as Officer or Director. Upon a termination of employment, unless requested otherwise by the Company, the Executive shall resign each position (if any) that the Executive then holds as a director or officer of the Company or of any Affiliates of the Company with the exception of any such positions concurrently held at other GNI Group companies. The Executive's execution of this Agreement shall be deemed the grant by the Executive to the officers of the Company of a limited irrevocable power of attorney (which is deemed coupled with an interest) to sign in the Executive's name and on the Executive's behalf any such documentation as may be required to be executed solely for the limited purposes of effectuating such resignations as an officer.

(g) Certain Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth herein:

(1) "Accrued Compensation" means (A) any Base Salary payable to the Executive pursuant to this Agreement, accrued up to and including the last day of the Executive's employment with the Company, (B) any employee benefits to which the Executive is entitled upon termination of her employment with the Company in accordance with the terms and conditions of the applicable plans of the Company, (C) reimbursement for any unreimbursed business expenses incurred by the Executive prior to her date of termination, and (D) to the extent permitted by law, less any advances made to the Executive.

(2) "Cause" shall mean the Executive's (A) indictment for, conviction of or plea of *nolo contendere* to any felony or other crime involving fraud, dishonesty or acts of moral turpitude, (B) commission of any act or omission involving dishonesty, disloyalty or fraud with respect to the Company or any of its customers or suppliers, (C) substantial failure to timely perform duties reasonably directed by the Board (other than due to the Executive's Disability), (D) engaging or having engaged in any acts constituting breach of fiduciary duty, gross negligence or willful misconduct with respect to the Company or any of the Executive's services provided hereunder, or (E) material breach of this Agreement, any other material agreement with the Company, or any internal policies or procedures of the Company in effect from time to time; provided, however, the conditions described in sub-clauses (C) and (E) above shall not constitute Cause unless the Company first provides written notice to the Executive of the occurrence of the applicable condition and the Executive fails to cure such condition within ten (10) days after receipt of such written notice and, if uncured, the termination shall be effective as of the end of such cure period.

(3) "Disability" means that (A) the Executive qualifies for long-term disability benefits under a long-term disability program sponsored by the Company in which employees participate generally or (B) if the Company does not sponsor such a long-term disability program, the Executive is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months.

(4) The Executive shall be deemed to have "Good Reason" to terminate the Executive's employment hereunder if, without the Executive's prior written consent, (i) the Company materially reduces the Executive's duties or responsibilities as Interim Chief Financial Officer, (ii) the Company materially reduces Executive's then current Base Salary or target annual incentive award as set forth herein (in each case, other than as part of an across-the-board reduction applicable to all "named executive officers" of the Company (as defined under Item 402 of Regulation S-K and to the extent employed by the Company at that time)), or (iii) the Company materially breaches a material term of this Agreement. Prior to terminating for Good Reason, the Executive shall be required to provide the Company with 30 days advance written notice of the Executive's intention to terminate employment for Good Reason, and the Company shall be permitted to cure any events giving rise to such Good Reason during such 30 day period, after which, if such event remains uncured, the Executive's employment must terminate within 30 days.

7. Covenants of the Executive. The Executive acknowledges that in the course of her employment with the Company she has become and will continue to become familiar with the Company's and its subsidiaries' and Affiliates' trade secrets and with other confidential and proprietary information concerning the Company and its subsidiaries and Affiliates, and that her services are of special, unique and extraordinary value to the Company and its subsidiaries and Affiliates. Therefore, the Company and the Executive mutually agree that it is in the interest of both parties for the Executive to enter into the restrictive covenants set forth in this Section 7 to, among other things, protect the legitimate business interests of the Company and those of its subsidiaries and Affiliates, and that such restrictions and covenants contained in this Section 7 are reasonable in geographical and temporal scope and in all other respects given the nature and scope of the Executive's duties and the nature and scope of the Company's and its subsidiaries' and Affiliates' businesses and that such restrictions and covenants do not and will not unduly impair the Executive's ability to earn a living after termination of her employment with the Company. The Executive further acknowledges and agrees that (i) the Company would not have entered into this Agreement but for the restrictive covenants of the Executive set forth in this Section 7, and (ii) such restrictive covenants have been made by the Executive in order to induce the Company to enter into this Agreement. For purposes of this Agreement, "Company Group" shall mean the Company and its subsidiaries.

(a) During Employment. During the Employment Term, the Executive shall not engage in any other business activity that, in the reasonable judgment of the Board, conflicts with the duties of the Executive as an employee of the Company, whether or not such activity is pursued for gain, profit or other pecuniary advantage. Specifically, but without limiting the foregoing, the Executive agrees not to work or provide services, in any capacity, whether as a director, employee, independent contractor or otherwise, whether with or without compensation, to any individual or entity. During the Employment Term, the Executive shall not be party to any agreement or understanding, written or oral and will not be subject to or agree to or enter into any restriction, which in either case, could prevent the Executive from entering into this Agreement or performing the duties and obligations hereunder.

(b) Post-Employment Restrictions. During the Employment Term and for a period of twelve (12) months following the termination of the Executive's employment with the Company Group, the Executive will not, and will not assist any other individual or entity to, (i) solicit for hire any current employee, representative, independent contractor, consultant or agent of any member of the Company Group or any individual who served in any such capacity in the previous twelve (12) months (each such individual, a "Service Provider"), (ii) induce or attempt to induce any employee, representative, independent contractor, consultant or agent of any member of the Company Group to terminate her or her relationship with the Company Group, or (iii) take any action to materially assist or aid any other person in soliciting for or attempting to hire or hiring any Service Provider.

(c) Confidential Information.

(i) The Executive will not, and will use her reasonable best efforts to cause her Affiliates not to, directly or indirectly, use, make available, sell, disclose or otherwise communicate to any person, other than in the course of the Executive's assigned duties and for the benefit of the Company Group, any Confidential Information. The foregoing will not apply to information that (i) is or was known to the public prior to its disclosure to the Executive; (ii) becomes generally known to the public subsequent to disclosure to the Executive through no wrongful act of the Executive or any of her Affiliates; (iii) the Executive or her Affiliates is required to disclose by applicable law, regulation, recognized subpoena power, any governmental body or any other legal process (provided that, to the extent permitted by applicable law, recognized subpoena power, any governmental body or any other legal process, the Executive or her Affiliates, as applicable, provide the Company with prior notice of the contemplated disclosure and cooperate with the Company at its expense in seeking a protective order or other appropriate protection of such information); (iv) is lawfully acquired by the Executive from sources which are not prohibited from disclosing such information; or (v) is reasonably required to be disclosed by the Executive in any proceeding to enforce the Executive's rights under this Agreement or any other agreement between the Executive and any member of the Company Group or any of their respective Affiliates. The Executive understands that this restriction shall continue to apply after her employment terminates, regardless of the reason for such termination. The confidentiality obligation under this Section 7 shall not apply to information which is generally known or readily available to the public at the time of disclosure or becomes generally known through no wrongful act on the part of the Executive or any other person having an obligation of confidentiality to the Company or any of its Affiliates. For purposes of this Section 7, "Confidential Information" means any proprietary information concerning the business, and the Company Group, including, without limitation: all data, information, ideas, concepts, discoveries, trade secrets, inventions (whether or not patentable or reduced to practice), innovations, improvements, know-how, developments, techniques, methods, processes, treatments, drawings, sketches, specifications, designs, patterns, models, plans and strategies, and all other confidential or proprietary information or trade secrets in any form or medium (whether merely remembered or embodied in a tangible or intangible form or medium) whether now or hereafter existing, relating to or arising from the past, current or potential business, activities and/or operations of the Company Group, including, without limitation, any such information relating to or concerning finances, sales, marketing, advertising, transition, promotions, pricing, personnel, customers, suppliers, vendors, partners and/or competitors.

(ii) All documents, records, tapes and other media of every kind and description relating to the Confidential Information of the Company Group and any copies, in whole or in part, thereof (the “Documents”), whether or not prepared by the Executive, shall be the sole and exclusive property of the Company and its Affiliates. The Executive shall safeguard all Documents and shall surrender to the Company at the time her employment terminates, or at such earlier time or times as the Board may specify, all Documents then in the Executive’s possession or control. Notwithstanding the foregoing, the Executive shall be permitted to retain: (A) personal papers and other materials of a personal nature, (B) information showing the Executive’s Base Salary, Annual Bonus, or relating to reimbursement of expenses, (C) copies of plans, programs and agreements relating to Executive’s employment, or termination thereof, with the Company which the Executive received in the Executive’s capacity as a participant, (D) copies of this Agreement, and any other written agreement between the Executive and the Company, and (E) any personal contacts; provided, however, that in each case of subsections (A) through (E), such papers or materials do not include any Confidential Information as defined herein.

(iii) 18 U.S.C. § 1833(b) provides: “An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.” Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, the parties to this Agreement have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.

(d) Company IP: Work Product. The Executive hereby assigns and agrees to assign to the Company (or as otherwise directed by the Company) the Executive’s full right, title and interest in and to all Intellectual Property (as defined below) which now exists or which hereafter arises. The Executive agrees to execute any and all applications for domestic and foreign patents, copyrights or other proprietary rights and to do such other acts (including without limitation the execution and delivery of instruments of further assurance or confirmation) requested by the Company to assign the Intellectual Property to the Company and to permit the Company to enforce any patents, copyrights or other proprietary rights to the Intellectual Property. The Executive will not charge the Company for time spent in complying with these obligations during the Employment Term. All copyrightable works that the Executive creates that relate to either the products of the Company or any of its Affiliates or that make use of Confidential Information shall be considered “work made for hire” and shall, upon creation, be owned exclusively by the Company. For purposes of this Section 7, “Intellectual Property” means inventions, discoveries, developments, methods, processes, compositions, works, concepts and ideas (whether or not patentable or copyrightable or constituting trade secrets) conceived, made, created, developed or reduced to practice by the Executive (whether alone or with others, whether or not during normal business hours or on or off Company premises) during the Executive’s employment that relate to either the products of the Company or any of its Affiliates or that make use of Confidential Information or any of the equipment or facilities of the Company or any of its Affiliates.



(c) Non-disparagement.

(i) During the Employment Term and thereafter, the Executive shall not, directly or indirectly, in her capacity or through any other person or entity, make negative comments about or otherwise disparage the Company, its Affiliates, or any of their respective officers, directors, employees, shareholders, members, agents or products.

(ii) Nothing contained in this Section 7(e) shall preclude the Executive or any of her Affiliates from exercising protected legal rights to the extent that such rights cannot be waived by agreement or from providing truthful statements in any filing or submission to any judicial, administrative or arbitral body (including in any deposition held in connection with any proceedings by or before any such person) or in response to any governmental agency, rulemaking authority, subpoena power, legal process, required governmental testimony or filings.

(f) Enforcement. The parties acknowledge that a breach of the covenants and agreements contained in this Section 7 would cause irreparable damage, the exact amount of which would be difficult to ascertain, and that the remedies at law for any such breach or threatened breach would be inadequate. Accordingly, the Executive agrees that if she breaches or threatens to breach any of the covenants or agreements contained in this Section 7, in addition to any other remedy which may be available at law or in equity, the Company and its subsidiaries and Affiliates shall be entitled to institute and prosecute proceedings in any court of competent jurisdiction for specific performance and injunctive and other equitable relief to prevent the breach or any threatened breach thereof without bond or other security or a showing of irreparable harm or lack of an adequate remedy at law, and an equitable accounting by any court of competent jurisdiction of all profits or benefits arising out of such violation.

(g) Scope of Covenants; Separate and Independent Covenants. The Company and the Executive further acknowledge that the time, scope, geographic area and other provisions of this Section 7 have been specifically negotiated by sophisticated commercial parties and agree that they consider the restrictions and covenants contained in this Section 7 to be reasonable and necessary for the protection of the interests of the Company and its subsidiaries and Affiliates, but if any such restriction or covenant shall be held by any court of competent jurisdiction to be void but would be valid if deleted in part or reduced in application, such restriction or covenant shall apply in such jurisdiction with such deletion or modification as may be necessary to make it valid and enforceable. The Executive acknowledges and agrees that the restrictions and covenants contained in this Section 7 shall be construed for all purposes to be separate and independent from any other covenant, whether in this Agreement or otherwise, and shall each be capable of being reduced in application or severed without prejudice to the other restrictions and covenants or to the remaining provisions of this Agreement. The existence of any claim or cause of action by the Executive against the Company or its subsidiaries and Affiliates, whether predicated upon this Agreement or otherwise, shall not excuse the Executive's breach of any covenants, agreements or obligations contained in this Section 7 and shall not constitute a defense to the enforcement by the Company or any of its subsidiaries of such covenants, agreements and obligations.

(h) Enforceability. If any court holds any of the restrictions or covenants contained in this Section 7 to be unenforceable by reason of their breadth or scope or otherwise, it is the intention of the parties hereto that such determination not bar or in any way affect the right of the Company and its subsidiaries and Affiliates to the relief provided in this Section 7 in the courts of any other jurisdiction within the geographic scope of such restrictions and covenants.

(i) Whistleblower Protection. Notwithstanding anything to the contrary contained herein, no provision of this Agreement shall be interpreted so as to impede the Executive (or any other individual) from reporting possible violations of federal law or regulation to any governmental agency or entity, including but not limited to the Department of Justice, the Securities and Exchange Commission, the Congress, and any agency Inspector General, or making other disclosures under the whistleblower provisions of federal law or regulation. The Executive does not need the prior authorization of the Company to make any such reports or disclosures and the Executive shall not be required to notify the Company that such reports or disclosures have been made.

8. Notices. All notices, requests, demands, claims, consents and other communications which are required, permitted or otherwise delivered hereunder shall in every case be in writing and shall be deemed properly served if: (a) delivered personally, (b) sent by registered or certified mail, in all such cases with first class postage prepaid, return receipt requested, (c) delivered by a recognized overnight courier service, or (d) transmitted by email, to the parties at the addresses as set forth below:

If to the Company:

Gyre Therapeutics, Inc.  
12770 High Bluff Drive, Suite 150  
San Diego, CA 92130 USA

With a copy to:

Gibson, Dunn & Crutcher LLP  
555 Mission Street Suite 3000  
San Francisco, CA 94105-0921  
Attn: Branden Berns, [BBerns@gibsondunn.com](mailto:BBerns@gibsondunn.com)

If to the Executive:

At the Executive's principal residence address as maintained by the Company in the regular course of its business for payroll purposes

or to such other address as shall be furnished in writing by either party to the other party; provided that such notice or change in address shall be effective only when actually received by the other party. Date of service of any such notices or other communications shall be: (a) the date such notice is personally delivered or transmitted by email (which electronic confirmation of transmission is received), (b) three (3) days after the date of mailing if sent by certified or registered mail, or (c) one (1) business day after date of delivery to the overnight courier if sent by overnight courier.

9. Jurisdiction: Venue. Except as otherwise provided in Section 7(f) in connection with equitable remedies, each of the parties hereto hereby irrevocably submits to the exclusive jurisdiction of any federal or state court located in the State of Delaware over any suit, action, dispute or proceeding arising out of or relating to this Agreement and each of the parties agrees that any action relating in any way to this Agreement must be commenced only in the courts located in the State of Delaware, federal or state. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted or not prohibited by law, any objection which it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in such a court and any claim that any such suit, action or proceeding brought in such a court has been brought in an inconvenient forum. Each of the parties hereto hereby irrevocably consents to the service of process in any suit, action or proceeding by sending the same by certified mail, return receipt requested, or by recognized overnight courier service, to the address of such party set forth in Section 8. With respect to any order obtained in accordance with this Section 9, any party hereto may enforce such order in any court having personal jurisdiction over the party against whom the order shall be enforced.

10. Waiver of Jury Trial. **THE PARTIES TO THIS AGREEMENT EACH HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION (I) ARISING UNDER THIS AGREEMENT OR (II) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY, OR OTHERWISE. THE PARTIES TO THIS AGREEMENT EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.**

11. Section 409A.

(a) The intent of the parties is that payments and benefits under this Agreement comply with or be exempt from Section 409A of the Code and the regulations and guidance promulgated thereunder (collectively "Code Section 409A"), and this Agreement and any associated documents shall be interpreted and construed in a manner that establishes an exemption from (or compliance with) the requirements of Code Section 409A. Any terms of this Agreement that are undefined or ambiguous shall be interpreted in a manner that complies with Code Section 409A to the extent necessary to comply with Code Section 409A. If for any reason, such as imprecision in drafting, any provision of this Agreement (or of any award of compensation, including, without limitation, equity compensation or benefits) does not accurately reflect its intended establishment of an exemption from (or compliance with) Code Section 409A, as demonstrated by consistent interpretations or other evidence of intent, such provision shall be considered ambiguous as to its exemption from (or compliance with) Code Section 409A and shall be interpreted in a manner consistent with such intent, as determined in the reasonable discretion of the Company. If, notwithstanding the foregoing provisions of this Section 11(a), any provision of this Agreement would cause the Executive to incur any additional tax or interest under Code Section 409A, the Company shall, after consulting with the Executive, interpret or reform such provision in a manner intended to avoid the incurrence by the Executive of any such additional tax or interest; provided that the Company agrees to maintain, to the maximum extent practicable, the original intent and economic benefit to the Executive of the applicable provision without violating the provisions of Code Section 409A.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that the Company determines may be considered nonqualified deferred compensation under Code Section 409A upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A, and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean such a separation from service. The determination of whether and when a separation from service has occurred for purposes of this Agreement shall be made in accordance with the presumptions set forth in Section 1.409A-1(h) of the Treasury Regulations.

(c) Notwithstanding any other provision of this Agreement, to the extent required to comply with Code Section 409A (as determined by the Company), if the Executive is a "specified employee," as determined by the Company, as of her date of termination, then all amounts due under this Agreement that constitute a "deferral of compensation" within the meaning of Code Section 409A, that are provided as a result of a "separation from service" within the meaning of Code Section 409A, and that would otherwise be paid or provided during the first six months following the Executive's date of termination, shall be accumulated through and paid or provided on the first business day that is more than six months after the Executive's date of termination (or, if the Executive dies during such six month period, within 90 days after Executive's death).

(d) Any reimbursements provided under this Agreement that constitute deferred compensation within the meaning of Code Section 409A shall be made or provided in accordance with the requirements of Code Section 409A, including, without limitation, that (i) in no event shall any fees, expenses or other amounts eligible to be reimbursed by the Company under this Agreement be paid later than the last day of the calendar year next following the calendar year in which the applicable fees, expenses or other amounts were incurred; (ii) the amount of expenses eligible for reimbursement in any given calendar year shall not affect the expenses that the Company is obligated to reimburse in any other calendar year, provided that the foregoing clause (ii) shall not be violated with regard to expenses reimbursed under any arrangement covered by Code Section 105(b) solely because such expenses are subject to a limit related to the period the arrangement is in effect; (iii) the Executive's right to have the Company pay or provide such reimbursements may not be liquidated or exchanged for any other benefit; and (iv) in no event shall the Company's obligations to make such reimbursements apply later than the Executive's remaining lifetime (or if longer, through the sixth (6th) anniversary of the Commencement Date).

(e) For purposes of Code Section 409A, the Executive's right to receive any installment payments shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (for example, "payment shall be made within thirty (30) days following the date of termination"), the actual date of payment within the specified period shall not be within the discretion of the Executive. In no event may the Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement, to the extent such payment is subject to Code Section 409A.

(f) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Code Section 409A but do not satisfy an exemption from, or the conditions of, Code Section 409A.

12. Excise Taxes. Notwithstanding anything to the contrary in this Agreement, if the Executive is a "disqualified individual" (as defined in Section 280G(c) of the Code), and the payments and benefits provided for under this Agreement, together with any other payments and benefits which the Executive has the right to receive from the Company or any of its Affiliates, would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then the payments and benefits provided for under this Agreement shall be either (a) reduced (but not below zero) so that the present value of such total amounts and benefits received by the Executive from the Company and its Affiliates will be one dollar (\$1.00) less than three times the Executive's "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by the Executive shall be subject to the excise tax imposed by Section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to the Executive (taking into account any applicable excise tax under Section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits hereunder, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash hereunder in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in kind hereunder in a similar order. The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary shall be made by a nationally recognized public accounting firm selected by the Company in good faith and approved by the Executive, which approval shall not be unreasonably withheld. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits from the Company or its Affiliates used in determining if a parachute payment exists, exceeds one dollar (\$1.00) less than three times the Executive's base amount, then the Executive shall immediately repay such excess to the Company upon notification that an overpayment has been made.

13. General.

(a) Governing Law. This Agreement and the legal relations thus created between the parties hereto shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the State of Delaware.

(b) Construction and Severability. Whenever possible, each provision of this Agreement shall be construed and interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by, or invalid, illegal or unenforceable in any respect under, any applicable law or rule in any jurisdiction, such prohibition, invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other jurisdiction, and the parties undertake to implement all efforts which are necessary, desirable and sufficient to amend, supplement or substitute all and any such prohibited, invalid, illegal or unenforceable provisions with enforceable and valid provisions in such jurisdiction which would produce as nearly as may be possible the result previously intended by the parties without renegotiation of any material terms and conditions stipulated herein.

(c) Cooperation. During the Employment Term and five (5) years thereafter, the Executive shall reasonably cooperate with the Company and be reasonably available to the Company with respect to continuing and/or future matters related to the Executive's Employment Term with the Company and/or its subsidiaries or Affiliates, whether such matters are business-related, legal, regulatory or otherwise (including, without limitation, the Executive appearing at the Company's request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company all pertinent information and turning over to the Company all relevant documents which are or may come into the Executive's possession); provided that, the Company shall make reasonable efforts to minimize disruption of the Executive's other activities. The Company shall reimburse the Executive for any reasonable travel and other expenses that she incurs on the Company's behalf as a result of compliance with this Section 13(c), after receipt of appropriate documentation consistent with the Company's business expense reimbursement policy.

(d) Successors and Assigns. This Agreement shall bind and inure to the benefit of and be enforceable by the Company and its successors and assigns and the Executive and the Executive's heirs, executors, administrators, and successors; provided that the services provided by the Executive under this Agreement are of a personal nature, and the Executive may not sell, convey, assign, delegate, transfer or otherwise dispose of, directly or indirectly, any of the rights, claims, powers, interests or obligations of the Executive under this Agreement; provided further that the Company may assign this Agreement to, and all rights hereunder shall inure to the benefit of, any subsidiary or Affiliate of the Company or any person, firm or corporation resulting from the reorganization of the Company or succeeding to the business or assets of the Company by purchase, merger, consolidation or otherwise and, in such event, all references herein to the Company shall refer to such assignee; provided further that such surviving, resulting, or acquiring entity shall in writing assume and agree to perform all of the obligations of the Company under this Agreement. Any purported assignment of this Agreement in violation of the foregoing shall be null and void.

(e) Executive's Representations. The Executive hereby represents and warrants to the Company that: (i) the execution, delivery and performance of this Agreement by the Executive do not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which the Executive is a party or by which the Executive is bound; (ii) the Executive is not a party to or bound by any employment agreement, noncompetition or nonsolicitation agreement or confidentiality agreement with any other person or entity besides the Company; (iii) the Executive is not subject to any restriction whatsoever that would cause her to not be able fully to fulfill her duties under this Agreement; (iv) the Executive is not a party to, or involved in, or under investigation in, any pending or, to the best of the Executive's knowledge, threatened litigation, proceeding or investigation of any governmental body or authority or any other person; (v) the Executive has never been suspended, censured or otherwise subjected to any disciplinary action or other proceeding by any state, other governmental entity, agency or self-regulatory organization and (vi) upon the execution and delivery of this Agreement by the Company, this Agreement shall be the valid and binding obligation of the Executive, enforceable in accordance with its terms. **THE EXECUTIVE HEREBY ACKNOWLEDGES AND REPRESENTS THAT THE EXECUTIVE HAS CONSULTED WITH INDEPENDENT LEGAL COUNSEL REGARDING THE EXECUTIVE'S RIGHTS AND OBLIGATIONS UNDER THIS AGREEMENT TO THE EXTENT DETERMINED NECESSARY OR APPROPRIATE BY THE EXECUTIVE, AND THAT THE EXECUTIVE FULLY UNDERSTANDS THE TERMS AND CONDITIONS CONTAINED HEREIN.**

(f) Compliance with Rules and Policies. The Executive shall perform all services in accordance with the lawful policies, procedures and rules established by the Company and the Board, provided that such policies, procedures and/or rules are made available to the Executive in writing. In addition, the Executive shall comply with all laws, rules and regulations that are generally applicable to the Company or its subsidiaries or Affiliates and their respective employees, directors and officers.

(g) Forfeiture. Notwithstanding any other provision of this Agreement to the contrary, any payments or benefits under this Agreement or any incentive or other compensation plan or program of the Company or its Affiliates shall be subject to any forfeiture, repayment or recoupment policy of the Company, as in effect from time to time, that are required by applicable law.

(h) Withholding Taxes. All amounts payable hereunder shall be subject to the withholding of all applicable taxes and deductions required by any applicable law.

(i) Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and terminates and supersedes any and all prior agreements, understandings and representations, whether written or oral, by or between the parties hereto or their current or former Affiliates which relate or may have related to the provision of services in any way, and any other existing employment, consulting or change of control agreement, which are hereby terminated and cancelled and of no further force or effect as of the date hereof, without the payment of any additional consideration by or to either of the parties hereto. The Executive acknowledges that no representations, warranties, promises, covenants, agreements or obligations, oral or written, have been made other than those expressly stated herein, and in the other documents delivered by the parties in connection herewith, and that she has not relied on any other representations, warranties, promises, covenants, agreements or obligations in signing this Agreement.

(j) Duration. Notwithstanding the Employment Term hereunder, this Agreement shall continue for so long as any obligations remain under this Agreement.

(k) Survival. The provisions of Sections 6, 9, 10, 11, 12 and 13 of this Agreement shall survive and shall continue to be binding upon the Executive notwithstanding the termination of this Agreement for any reason whatsoever.

(l) Amendment; Modification; Waiver. The provisions of this Agreement may be modified, amended or waived only in a document signed by the parties hereto and referring specifically hereto, and no handwritten changes to this Agreement will be binding unless initialed by each party. No course of conduct or course of dealing or failure or delay by any party hereto in enforcing or exercising any of the provisions of this Agreement (including, without limitation, the Company's right to terminate the Agreement for Cause) shall affect the validity, binding effect or enforceability of this Agreement or be deemed to be an implied waiver of any similar or dissimilar requirement, provision or condition of this Agreement at the same or any prior or subsequent time. Pursuit by either party of any available remedy, either in law or equity, or any action of any kind, does not constitute waiver of any other remedy or action. Such remedies and actions are cumulative and not exclusive.

(m) Counterparts. This Agreement may be executed by the parties in counterparts, each of which shall be an original and all of which taken together shall constitute one instrument.

(n) Section References. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose. The words Section and paragraph herein shall refer to provisions of this Agreement unless expressly indicated otherwise.

(o) No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring either party hereto by virtue of the authorship of any of the provisions of this Agreement.

(p) No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement and their respective heirs, executors, administrators, successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

***[END OF TEXT – SIGNATURE PAGE FOLLOWS]***



IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have hereunto executed this Agreement as of the day and year first written above.

COMPANY:

GYRE THERAPEUTICS, INC.

Date: October 30, 2023

By: /s/ Charles Wu, Ph.D.  
Name: Charles Wu, Ph.D.  
Title: Chief Executive Officer

EXECUTIVE:

Date: October 30, 2023

/s/ Ruoyu Chen  
Ruoyu Chen

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**GYRE THERAPEUTICS, INC.**

**CODE OF BUSINESS CONDUCT AND ETHICS**

**(dated October 30, 2023)**

**I. INTRODUCTION**

This Code of Business Conduct and Ethics (this “Code”) provides a general statement of the expectations of Gyre Therapeutics, Inc. (the “Company”) regarding the ethical standards to which each director, officer and employee should adhere while acting on behalf of the Company. You are expected to read and become familiar with the ethical standards described in this Code and will be required, from time to time, to affirm your agreement to adhere to such standards by signing the Compliance Certificate that appears at the end of this Code.

We are proud of what the Company has accomplished to date, and your commitment to continued excellence is crucial as our company changes and grows. We expect all individuals associated with the Company to conduct themselves with the highest degree of honesty and integrity at all times.

This Code should be read in conjunction with our other policies and procedures, copies of which are available from Human Resources. This Code is not a substitute for those other documents. Instead, this Code should be viewed as a general statement of the guiding principles that should help you keep our core values in mind as you conduct business on behalf of the Company.

We consider any violation of this Code to be a serious breach of our trust, and any violation may result in disciplinary action, up to and including termination. Similarly, if you are aware of someone’s violation of this Code, you have a duty to report the violation in accordance with the procedures detailed below. We depend on your commitment to protect our culture and values and will view your reporting of violations in that context.

While this Code covers multiple scenarios and activities, it does not address every challenging situation that could arise. Therefore, if you are faced with an issue that you feel may not be covered specifically by this Code, and are making a decision to act, please keep the following in mind:

- Consider whether your actions would conform to the intent of the Code.
- Consider whether your actions could create even a perception of impropriety.
- Make sure you have all of the relevant facts.
- Consider discussing the matter with your supervisor, as applicable, or reporting the matter anonymously as described below.
- Seek help. It is always better to seek assistance before you act, rather than making a preventable mistake.

If you encounter a situation where you have a question about the law, the Code or any Company policy or are unsure of the best course of action, you should always seek guidance. Except as otherwise specifically noted in the Code, when you have a specific question, please contact your supervisor, Human Resources or the Chief Financial Officer (the “CFO”)¹.

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## II. REPORTING VIOLATIONS

If you know or reasonably believe that there has been a violation of this Code or any other illegal behavior, you must report such violation or illegal behavior to your supervisor, Human Resources or the CFO. Additionally, employees, consultants and others may report any violations of this Code or any other illegal behavior anonymously through the Company's whistleblower hotline. There are five methods of logging complaints anonymously:

Hotline: 1-877-679-7132

Fax: 1-866-332-2699

Web Form: <https://thecompliancepartners.com/catalystbiosciences>

Email: [Catalyst@signius.com](mailto:Catalyst@signius.com)

U.S. Mail: The Compliance Partners  
8915 Knight Road  
Houston, Texas 77054

Such complaints will be directed to the Company's CFO. However, if the complaint involves the CFO, or otherwise gives rise to a conflict of interest, such complaints will be directed to the Company's Audit Committee and/or outside counsel.

Failure to report a known or suspected violation of this Code is itself a violation, and may result in disciplinary action up to, and including, termination.

Any director, officer or employee who obtains information about a Code violation or illegal act has the responsibility to report the matter immediately to one of the above individuals. **The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate or tolerate discrimination or retaliation against any director, officer or employee for reporting, in good faith, a potential violation, and any supervisor intimidating or imposing sanctions on any such person for reporting a matter in good faith will be disciplined.**

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<sup>1</sup> At any time when the Company does not have a CFO, the duties and responsibilities of the CFO under this Code shall be fulfilled by the Company's principal financial officer.

### III. PERSONAL RESPONSIBILITY AND INTEGRITY

#### A. Fair Dealing

You are expected to be honest, ethical and fair and should deal fairly with customers, vendors, suppliers, business partners, service providers, competitors and employees. You should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

#### B. Confidential Information and Privacy

The Company holds many types of confidential information that must be carefully safeguarded. Protecting this information is essential to maintaining our relationships with our suppliers, customers, and other business partners. In addition, Company information, which includes confidential information and third-party information the Company has a duty to keep confidential (such as patient and employee health information), should not be used other than for its intended use, and documents including such information should be disposed of properly and should not be copied or removed from the work area, except as required for job performance. Company information should never be disclosed to outsiders without specific approval by the Company.

Confidential information includes:

- information marked “Confidential,” “Private,” “For Internal Use Only,” or with a similar legend;
- technical or scientific information relating to current and future product candidates, services, or research;
- business or marketing plans, strategies, forecasts or projections;
- budgets, earnings and other internal financial data;
- business contacts;
- training materials and methods;
- personnel information;
- other non-public information that, if disclosed, might be of use to the Company’s competitors or harmful to the Company or its business partners; and
- other non-public information that, if disclosed, would violate federal or state securities laws.

Regardless of whether information is specifically marked as confidential, it is each employee's responsibility to keep confidential information in confidence (except as otherwise required, if at all, by applicable law). You must not use, reveal or divulge any such information unless it is necessary for you to do so in the performance of your duties (or except as otherwise required, if at all, by applicable law). Generally, access to confidential information should be granted, provided or given on a "need-to-know" basis and must be authorized by your manager.

### C. Use of Company Systems

The data and other information you use, send, receive, and store on the Company's telecommunications equipment (including email, voicemail, and the internet) are business records owned by the Company. **Therefore, subject to applicable laws and regulations, the Company has the right to access, read, monitor, inspect, review and disclose the contents of, postings to and downloads from all of the Company's information systems.** In addition, your use of the Company's systems and equipment reflects on the Company as a whole, and at no time may you use the Company systems or equipment to view, access, store, share, or send illegal, derogatory, harassing or inappropriate information, including obscene, racist, or sexually explicit information, or engage in any activity that violates the intellectual property rights of others. We strongly encourage all directors, officers and employees to avoid references to the Company on social networking sites or other Internet based communications sites.

### D. Conflicts of Interest

Directors, officers, and employees should avoid activities that create or give the appearance of a conflict of interest between their personal interests and the Company's interests. A conflict of interest exists when a personal interest or activity of a director officer or employee could influence or interfere with that person's performance of duties, responsibilities, or commitments to the Company. A conflict of interest also exists when a director, officer or employee (or member of his or her family) receives an improper personal benefit as a result of his or her position at the Company. Below are some examples of situations that could result in a conflict of interest.

- be a consultant to, or a director, officer, or employee of, or otherwise operate an outside business that is a significant competitor, supplier, or customer of the Company;
- be a consultant to, or a director, officer, or employee of, or otherwise operate an outside business if the demands of the outside business would materially interfere with the director's, officer's, or employee's responsibilities to the Company;
- take personal advantage or obtain personal gain from an opportunity learned of or discovered during the course and scope of your employment when that opportunity or discovery could be of benefit or interest to the Company;
- have significant financial interest, including direct stock ownership, in any outside business that does or seeks to do a material amount of business with the Company;

- seek or accept any personal loan or services from any such outside business, except from financial institutions or service providers offering similar loans or services to third parties under similar terms in the ordinary course of their respective businesses;
- accept any personal loan or guarantee of obligations from the Company, except to the extent such arrangements are legally permissible; or
- conduct business on behalf of the Company with immediate family members, which include spouses, children, parents, siblings, and persons sharing the same home whether or not legal relatives.

Whether or not a conflict of interest exists or will exist can be unclear. Persons other than directors and executive officers who have questions about a potential conflict of interest or who become aware of an actual or potential conflict should discuss the matter with their supervisor, as applicable, or the CFO. Directors and executive officers must consult and seek prior approval of potential conflicts of interest exclusively from the Audit Committee.

For avoidance of doubt, a director affiliated with an investment firm shall not be presumed to have a conflict of interest due to such investment firm or the director acting on its behalf conducting normal activities.

#### **E. Proper Use of Company Assets**

Directors, officers, and employees are entrusted with numerous Company assets and have a responsibility to protect them. The Company's assets shall be used for their intended business purposes. Personal use of the Company's funds or property, including charging personal expenses as business expenses, inappropriate reporting or overstatement of business or travel expenses, and inappropriate usage of company equipment or the personal use of supplies or facilities without advance approval from an appropriate officer of the Company shall be considered a breach of the Code.

#### **F. Corporate Opportunities**

You owe a duty to the Company to advance its interests when the opportunity to do so arises and are prohibited from taking for yourself opportunities that are discovered through the use of Company property, information or position. You may not use Company property, information or position for personal gain. In addition, you may not compete with the Company.

If you become aware of any actual or potential business opportunity that relates to the Company, you may not take advantage of the opportunity or share the opportunity with anyone outside the Company without first receiving the approval of the CFO's office or the Board of Directors, as applicable. Notwithstanding the foregoing, the duties of directors and officers with respect to corporate opportunities are subject to the terms of the Company's certificate of incorporation, as it may be amended or restated from time to time.

## IV. LEGAL REQUIREMENTS

### A. Regulatory Compliance

As participants in the heavily regulated biotechnology industry, adherence to regulatory compliance principles and procedures is among our highest priorities.

We have a goal of developing product candidates of the highest quality possible. We also are sensitive to the special considerations involved in conducting clinical research. Therefore, we have developed policies and procedures designed to ensure that this research is conducted effectively and legally. This means that our clinical research procedures must abide by applicable regulatory requirements and be conducted with respect for the research participants involved.

### B. Gifts

It is against this Policy for a director, officer or employee of the Company to offer anything of value to an existing or potential clinical investigator, Institutional Review Board, patient or other party that would inappropriately influence the design, conduct, enrollment or outcome of clinical studies. Similarly, it is against this Policy for a director, officer or employee to offer anything of value to an existing or potential customer that would inappropriately influence that consumer to select a Company product.

There are similar concerns involving potential conflicts of interest in other external business relationships. Generally, giving or receiving gifts, meals, or entertainment involving our external business relationships should meet all of the following criteria:

- they do not violate applicable law or fail to comply with Company policy;
- they do not constitute a bribe, kickback, or other improper payment;
- they have a valid business purpose;
- they are appropriate as to time, place, and value (modest; not lavish or extravagant);
- they are infrequent; and
- they do not influence or appear to influence the behavior of the recipient.

Gifts of cash or marketable securities may not be given or accepted regardless of amount.

### C. Dealing with Government Officials

All dealings with government officials, including, but not limited to lobbying, political contributions to candidates, and meeting with government agencies, shall be in accordance with all applicable national, state, and local laws and regulations in each country in which the Company conducts business (and shall comply with the Foreign Corrupt Practices Act (the "FCPA"), as set forth below) and the Company's International Trade Policy.

No director, officer or employee shall offer or promise a payment or reward of any kind, directly or indirectly, to any federal, state, local, or foreign government official (i) for or because of an official act performed or to be performed by that official; or (ii) in order to secure preferential treatment for the Company or its employees. No director, officer or employee shall offer or promise any federal, state, local, or foreign government official gifts, entertainment, gratuities, meals, lodging, travel, or similar items that are designed to influence such officials. Further, because of the potential for misunderstanding, no director, officer or employee of the Company may confer gifts, special favors, gratuities, or benefits to such an official even if there is no matter pending before that official. The Company also strictly prohibits any director, officer or employee from making any payment or providing a thing of value if the person knows, or reasonably believes or suspects that any portion of the payment or thing of value will be offered, given or promised, directly or indirectly, to any government official.

It is our policy to cooperate fully with all legal and reasonable government investigations. Accordingly, the Company directors, officers and employees shall comply with any and all lawful requests from government investigators and, consistent with preserving the Company's legal rights, shall cooperate in lawful government inquiries. No director, officer or employee shall make a false or misleading written or oral statement to a government official with regard to any matter involving a government inquiry into the Company matters.

Employees shall contact the CFO when presented with any such government request or inquiry prior to responding to such inquiry. Employees with questions about contacts with government officials should seek guidance from senior management. Officers and directors should contact the CFO prior to responding to any such inquiries.

#### **D. Foreign Corrupt Practices Act**

All employees must comply with the FCPA, which sets forth requirements for the Company's relationships with non-U.S. government representatives, which in many countries include individuals who would not be deemed government representatives in the U.S. (e.g., medical professionals and employees of educational institutions). It is important to note that these limitations apply with respect to a government representative at any level and not only with respect to senior or policy-making roles. As a U.S.-based company, the Company is required to adhere to all standards set forth in the FCPA regardless of the nationality or overseas location of the individual acting on behalf of the Company, whether an employee, officer or third party.

The FCPA requires that relations between U.S. businesses and foreign government representatives conform to the standards that exist in the United States, even if a different business ethic is prevalent in the other country. Accordingly, no employee or third-party person or enterprise acting on behalf of the Company, directly or indirectly, may offer a gift, payment or bribe, or anything else of value, whether directly or indirectly, to any foreign official, foreign political party or party official, or candidate for foreign political office for the purpose of influencing an official act or decision or seeking influence with a foreign government in order to obtain, retain, or direct business to the Company or to any person or to otherwise secure an improper advantage. In short, such activity cannot be used to improve the business environment for the Company in any way. Thus, even if such payment is customary and generally thought to be legal in the host country, it is forbidden by the FCPA and violates U.S. law, unless it is a reasonable and bona fide expenditure, such as entertainment or travel and lodging expenses, that is directly related to (a) the promotion, demonstration, or explanation of products or services or (b) the execution or performance of a contract with a foreign government or government agency, and the payment was not made for an improper purpose.



As is the case under U.S. law, even inexpensive gifts to government or political party officials, such as tickets to sporting events, may constitute a violation of the FCPA. If questions arise with respect to expenses to be incurred on behalf of foreign officials, consult with the CFO before the Company pays or agrees to pay such expenses.

Some “expediting” payments are authorized under the FCPA. Such payments must be directly related to non-discretionary conduct by lower level bureaucrats and unrelated to efforts by a company to obtain significant concessions, permits, or approvals. Examples include processing of visas and work orders, mail delivery, or loading and unloading of cargo. Such payments do not include payments of any kind relating to terms of continuing or new business agreements. Consult with the CFO prior to making or authorizing any proposed expediting payment.

A violation of the FCPA can result in criminal and civil charges against the Company, its officers, its managers, and the individuals involved in the violation, regardless of the person’s nationality or location.

#### **E. Inside Information**

While at the Company, you may also come into contact with another form of information that requires special handling and discretion. Inside information is material, non-public information about the Company or another company that, if made public, would be reasonably expected to affect the price of a company’s securities or investment decisions regarding the purchase or sale of such securities. Employees must never use inside information to obtain any type of personal advantage, and should not disclose inside information to any third parties without the prior approval of senior management. For further discussion on our policy with respect to inside information, please review our Insider Trading Policy and Guidelines for Public Disclosures and Communications with the Investment Community, which are incorporated herein by reference.

#### **F. Company Disclosure Obligations**

The Company’s business affairs are also subject to certain internal and external disclosure obligations and recordkeeping procedures. As a public company, we are committed to abiding by our disclosure obligations in a full, fair, accurate, timely, and understandable manner. Only with reliable records and clear disclosure procedures can we make informed and responsible business decisions. When disclosing information to the public, it is our policy to provide consistent and accurate information. To maintain consistency and accuracy, specific Company spokespersons are designated to respond to questions from the public. Only these individuals are authorized to release information to the public at appropriate times. All inquiries from the media or investors should be forwarded immediately to the CFO or Chief Executive Officer (“CEO”). The CFO or CEO must approve all press releases, speeches, publications, or other official Company disclosures in advance.

Our internal control procedures are further regulated by the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”). The Sarbanes-Oxley Act was a U.S. legislative response to events at public companies involving pervasive breakdowns in corporate ethics and internal controls over financial reporting. It was designed to rebuild confidence in the capital markets by ensuring that public companies are operated in a transparent and honest manner. Ensuring proper and effective internal controls is among the Company’s highest priorities.

We take seriously the reliance our investors place on us to provide accurate and timely information about our business. In support of our disclosure obligations, it is our policy to always:

- comply with generally accepted accounting principles;
- maintain a system of internal accounting and disclosure controls and procedures designed to provide management with reasonable assurances that transactions are properly recorded and that material information is made known to management;
- maintain books and records that accurately and fairly reflect transactions; and
- prohibit establishment of material undisclosed or unrecorded funds or assets.

#### **G. Environmental Matters**

The Company is committed to operating its business in a manner that protects the environment as much as possible, and is further committed to compliance with all applicable environmental laws, regulations, and industry best practices, such as those that affect hazardous waste disposal, emissions, and water purity. You are expected to be aware of environmental issues and to maintain compliance with all internal environmental policies.

#### **H. Prohibition Against Discrimination; Equal Opportunity Employment**

The Company is committed to maintaining the highest integrity in our work environment. Our employees must comply with all applicable employment laws and our policies addressing workplace conduct. We base hiring, promotions, and performance management decisions on qualifications and job performance. The Company’s policy is to treat each employee and job applicant without regard to race, color, age, sex, religion, national origin, sexual orientation, ancestry, veteran status, or any other category protected by law. Employees must refrain from acts that are intended to cause, or that do cause, unlawful employment discrimination. The Company also accommodates qualified disabled employees and applicants consistent with applicable laws.

The Company prohibits harassment in the workplace, including but not limited to sexual harassment. Consistent with this policy, we will not tolerate harassment by any of our employees, customers, or other third parties. Harassment includes verbal or physical conduct which threatens, offends, or belittles any individual because of his or her gender, race, color, age, religion, national origin, sexual orientation, ancestry, veteran status, or any other category protected by law. Retaliation against an employee for alleging a complaint of harassment or discrimination or for participating in an investigation relating to such a complaint will also not be tolerated.

#### **I. Health and Safety**

The Company is committed to providing a safe and healthy work environment for its employees, and all other individuals working on behalf of the Company. The Company also recognizes that the responsibilities for a safe and healthy work environment are shared with you. The Company will continue to establish and implement appropriate health and safety policies that managers and their employees are expected to uphold at all times. Employees are expected to conduct their work in a safe manner in compliance with all the Company policies, and report all safety or health concerns to your manager or Human Resources.

Part of providing a safe and healthy environment is the prohibition of the possession or consumption of illegal drugs or alcohol (except when alcohol is pre-approved for special Company-sponsored events) on Company premises. Individuals who consume alcohol at such events do so at their own risk. In addition, you are expected to avoid excessive consumption of alcohol at any Company-sponsored event, and will be asked to leave an event at which you are violating this requirement. You also may be subject to other disciplinary measures.

#### **V. AMENDMENTS AND WAIVERS OF THIS CODE**

This Code applies to all Company employees, officers, and directors. Please contact the CFO if you believe that a waiver under a provision of this Code is warranted. There shall be no substantive amendment or waiver of any provision of this Code except by a vote of the Board of Directors or the Audit Committee of the Board of Directors, which will ascertain whether an amendment or waiver is appropriate and ensure that any amendment or waiver is accompanied by appropriate controls designed to protect the Company. In the case of non-officer employees or consultants of the Company, waivers may also be approved by the CEO. Any such waiver of a provision of this Code shall be evaluated to determine whether timely public disclosure of such waiver is required under the rules and regulations of the Securities and Exchange Commission or applicable exchange listing standards.

The Company reserves the right to amend any provision of this Code at any time, subject to the requirements for approval set forth above.

This Code is not an employment contract. By issuing this Code, the Company has not created any contractual rights.

**RECEIPT AND ACKNOWLEDGMENT**

I, \_\_\_\_\_, hereby acknowledge that I have received and read a copy of the Gyre Therapeutics, Inc. Code of Business Conduct and Ethics. I agree to comply with this Code. I understand that violation of this Code may subject me to discipline by Gyre Therapeutics, Inc., up to and including termination for cause.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_

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## CATALYST BIOSCIENCES ANNOUNCES COMPLETION OF BUSINESS COMBINATION WITH BEIJING CONTINENT PHARMACEUTICALS AND IMPLEMENTATION OF NAME CHANGE AND REVERSE STOCK SPLIT

October 30, 2023 at 12:00 PM EDT

### **The combined company will operate as “Gyre Therapeutics, Inc.” with its common stock traded on Nasdaq under trading symbol “GYRE” effective Tuesday, October 31, 2023**

SAN DIEGO, Calif., October 30, 2023 (GLOBE NEWSWIRE) – Catalyst Biosciences, Inc. (Nasdaq: CBIO) (“Catalyst”) today announced completion of the business combination with GNI Group Ltd. and related entities. Catalyst received stockholder approval for all proposals necessary to complete the business combination at a special meeting of stockholders held on August 29, 2023. Catalyst effected a name change and a reverse stock split of Catalyst’s common stock immediately prior to the closing of the business combination. The combined company will operate under the name “Gyre Therapeutics, Inc.” (“Gyre”). As a result of the business combination, Beijing Continent Pharmaceuticals Co., Ltd. became a majority-owned subsidiary of Gyre.

Nassim Usman, Ph.D., President and Chief Executive Officer of Catalyst said, “We are pleased that we have successfully completed the business combination as approved by our stockholders.”

Charles Wu, Ph.D., Chief Executive Officer of Gyre said, “Now that Gyre has launched on Nasdaq, we will be able to more efficiently conduct clinical research and development of our promising pipeline of product candidates in the United States. We are optimistic that our research and development efforts may bring new medicines to patients who suffer from organ fibrosis and inflammatory diseases that currently lack approved treatments.”

To ensure Gyre’s compliance with the minimum bid price requirement of \$4.00 per share for initial listing on The Nasdaq Capital Market, Catalyst implemented a reverse split of its common stock at a ratio of 1-for-15 shares. In the reverse stock split, every 15 shares of Catalyst common stock outstanding was combined and reclassified into one share of Gyre common stock.

Stockholders will receive cash in lieu of any fractional shares resulting from the reverse stock split. Stockholders owning shares of common stock via a bank, broker, or other nominee will have their positions automatically adjusted to reflect the reverse stock split and will not be required to take further action in connection with the reverse stock split, subject to their brokers’ particular processes. The new CUSIP number for Gyre common stock following the reverse stock split, business combination and other attendant transactions is 403783 103.

The reverse stock split and name change became effective today at 12:01 a.m. Eastern Time, with the business combination effective today at 11:00 a.m. Eastern Time.

Gyre’s shares will begin trading on The Nasdaq Capital Market on a post-reverse split, post-business combination basis under the ticker symbol “GYRE” effective with the opening of trading on Tuesday, October 31, 2023.

This press release contains “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, which statements are subject to substantial risks and uncertainties and are based on estimates and assumptions. All statements, other than statements of historical facts included in this press release, including statements concerning the progress and future expectations and goals of Gyre’s research and development efforts, are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “may,” “might,” “will,” “objective,” “intend,” “should,” “could,” “can,” “would,” “expect,” “believe,” “design,” “estimate,” “predict,” “potential,” “plan” or the negative of these terms, and similar expressions intended to identify forward-looking statements. These statements reflect our plans, estimates, and expectations, as of the date of this press release. These statements involve known and unknown risks, uncertainties and other factors that could cause our actual results to differ materially from the forward-looking statements expressed or implied in this press release. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation: risks associated with the possible failure to realize certain anticipated benefits of the business combination, including with respect to future financial and operating results; positive results from a clinical study may not necessarily be predictive of the results of future or ongoing clinical studies; competition from competing products; the impact of general economic, health, industrial or political conditions in the United States or internationally; the sufficiency of Gyre’s capital resources and its ability to raise additional capital. Additional risks and factors are identified under “Risk Factors” in Catalyst’s Annual Report on Form 10-K filed on March 30, 2023 and subsequent reports filed with the SEC, and identified under “Risk Factors” in the Proxy Statement.

Gyre expressly disclaims any obligation to update any forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.

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