As confidentially submitted to the Securities and Exchange Commission on February 12, 2021.

This draft registration statement has not been publicly filed with the
Securities and Exchange Commission and all information herein remains strictly confidential.

Registration No. 333-

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

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Reneo Pharmaceuticals, Inc.
(Exact name of registrant as specified in its charter)

Delaware	2834	47-2309515
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

Reneo Pharmaceuticals, Inc.
12230 El Camino Real, Suite 230
San Diego, California 92130
(858) 283-0280
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Gregory J. Flesher
President and Chief Executive Officer
Reneo Pharmaceuticals, Inc.
12230 El Camino Real, Suite 230
San Diego, California 92130
(858) 283-0280
(Name, address, including zip code, and telephone number, including area code, of agent for service)

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4401 Eastgate Mall
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12670 High Bluff Drive
San Diego, California 92130
(858) 523-5400

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box: ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE (1)(2)	AMOUNT OF REGISTRATION FEE
Common stock, par value $0.0001 per share	$	$

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(o) of the Securities Act of 1933, as amended.
(2) Includes the aggregate offering price of additional shares that the underwriters have the option to purchase, if any.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state or other jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED , 2021

PRELIMINARY PROSPECTUS

Shares

Common Stock

We are offering shares of common stock. This is our initial public offering, and no public market currently exists for our common stock. We expect that the initial public offering price will be between $ and $ per share. We have applied to list our common stock on the Nasdaq Global Market under the symbol "RPHM."

We are an "emerging growth company" under applicable Securities and Exchange Commission rules and have elected to comply with certain reduced public company reporting requirements for this prospectus and future filings.

Our business and an investment in our common stock involve significant risks. These risks are described under the caption "Risk Factors" beginning on page 11 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

	PER SHARE	TOTAL
Initial Public Offering Price	$	$
Underwriting Discounts and Commissions (1)	$	$
Proceeds, Before Expenses, to Reneo Pharmaceuticals, Inc.	$	$

(1) See the section titled "Underwriting" for additional information regarding compensation payable to the underwriters.

Delivery of the shares of common stock is expected to be made on or about , 2021. We have granted the underwriters an option for a period of 30 days to purchase an additional shares of our common stock. If the underwriters exercise the option in full, the total underwriting discounts and commissions payable by us will be $, and the total proceeds to us, before expenses, will be $.

Jefferies **SVB Leerink** **Piper Sandler**

, 2021

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Through and including , 2021 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

We are responsible for the information contained in this prospectus and in any free-writing prospectus we prepare or authorize. We have not, and the underwriters have not, authorized anyone to provide you with different information, and we take no, and the underwriters take no, responsibility for any other information others may give you. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front of this prospectus.

For investors outside of the United States: We have not, and the underwriters have not, done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than the United States. Persons outside of the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside of the United States.

This prospectus includes our trademarks which are our property and are protected under applicable intellectual property laws. This prospectus also includes trademarks and trade names that are the property of other organizations. Solely for convenience, trademarks and trade names referred to in this prospectus appear without the ® and ™ symbols, but those references are not intended to indicate that we will not assert, to the fullest extent under applicable law, our rights, or that the applicable owner will not assert its rights, to these trademarks and trade names. We do not intend our use or display of other companies' trade names or trademarks to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our common stock. You should read this entire prospectus carefully, including the sections in this prospectus titled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our consolidated financial statements and the related notes included elsewhere in this prospectus, before making an investment decision. Unless otherwise indicated, all references in this prospectus to "Reneo," the "company," "we," "our," "us" or similar terms refer to Reneo Pharmaceuticals, Inc. and its subsidiary.

Overview

Reneo is a clinical stage pharmaceutical company focused on the development of therapies for patients with rare genetic mitochondrial diseases, which are often associated with the inability of mitochondria to produce adenosine triphosphate (ATP). We are developing REN001 to modulate genes critical to metabolism and generation of ATP, which is the primary source of energy for cellular processes. REN001 is a selective peroxisome proliferator-activated receptor delta (PPARd) agonist that has been shown to increase transcription of genes involved in mitochondrial function and increase fatty acid oxidation (FAO), and may increase production of new mitochondria.

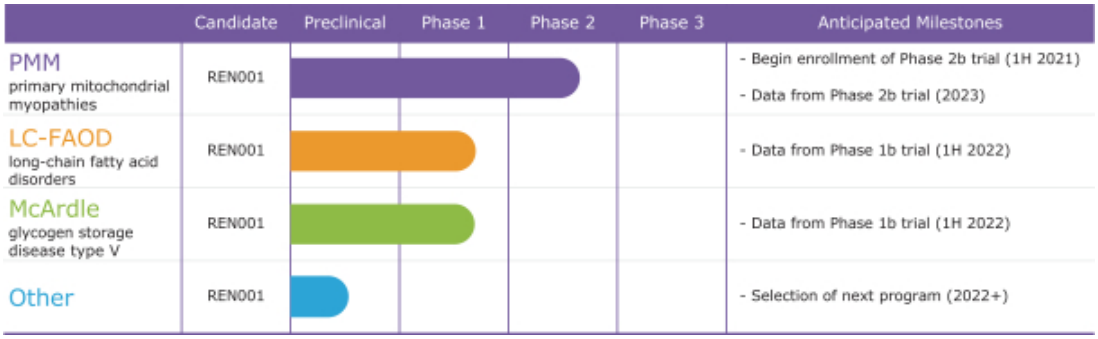
We believe REN001 could benefit patients with genetic mitochondrial myopathies who experience weakness, fatigue, cramping, and wasting of muscle due to the mitochondria's inability to produce adequate levels of ATP. These patients often struggle to perform everyday activities, and over time, are at risk of experiencing cardiac and multisystem morbidities and have reduced life expectancy.

We are initially developing REN001 in three rare genetic diseases that typically present with myopathy and have high unmet medical needs: primary mitochondrial myopathies (PMM), long-chain fatty acid oxidation disorders (LC-FAOD), and glycogen storage disease type V (McArdle disease).

We completed a Phase 1b clinical trial in patients with PMM and the preliminary results showed that treatment with REN001 was well tolerated, improved exercise performance and increased oxygen consumption and stamina, as well as improved patient reported symptoms. We initiated a global Phase 2b clinical trial in patients with PMM and plan to begin enrollment in the first half of 2021. We also plan to conduct a long-term safety trial in a subset of patients from the Phase 2b clinical trial. We anticipate results from these clinical trials in 2023. Based on interactions with United States and several European regulatory agencies, we believe that positive results from these trials could support registration of REN001 for PMM in both the United States and in Europe.

We are also conducting two Phase 1b clinical trials of REN001 in patients with LC-FAOD and McArdle disease, respectively. Both Phase 1b clinical trials are currently enrolling and we anticipate results in the first half of 2022. We also plan to explore the potential of REN001 in other rare diseases, such as Duchenne muscular dystrophy and Alport syndrome, where we have supportive preclinical data.

The following table summarizes our pipeline for REN001.



Background and Disease Overview

We are initially developing REN001 in the following three rare genetic diseases that are associated with a deficit of energy production in mitochondria and typically present with myopathy:

- PMM: This rare disease has an estimated prevalence of approximately 100,000 patients in the United States and Europe combined. Patients with PMM are unable to move their muscles efficiently because their ability to generate energy through oxidative phosphorylation (OxPhos) is compromised. We are targeting treatment for adult patients with PMM who have mitochondrial gene defects with associated myopathy, lack of endurance, exercise intolerance, and fatigue.
- LC-FAOD: This rare disease has an estimated prevalence of approximately 15,000 patients in the United States and Europe combined. The genetic alterations observed in these patients reduce their capacity to metabolize long-chain fatty acids as a source of energy for mitochondria. As patients with LC-FAOD grow older, they suffer from myopathy, lack of endurance, exercise intolerance, and fatigue. Muscle exertion in the absence of an adequate source of energy can result in the breakdown of muscle tissue that can subsequently cause kidney and cardiac damage.
- McArdle disease: This rare disease has an estimated prevalence of approximately 11,000 patients in the United States and Europe combined. McArdle disease patients have a specific inability to break down glycogen to glucose as a source of energy for mitochondria. Patients with McArdle disease experience muscle damage with severe acute fatigue and muscle pain. Breakdown of muscle tissue can also cause kidney damage.

Muscle cells mainly rely on three sources to generate energy: phosphocreatine, carbohydrates (glycogen), and fatty acids. At the onset of exertion, muscle cells use readily available sources of energy such as phosphocreatine and carbohydrates (glycogen). As these sources of energy become depleted with continued exertion, muscle cells turn to fatty acids as the primary source to generate energy.

Mitochondria are responsible for generating most of the energy for cells in the form of ATP. Cells have hundreds to thousands of mitochondria, with each mitochondrion containing proteins derived from both nuclear and mitochondrial genes. Patients with PMM can have nuclear or mitochondrial gene defects that result in reduced energy production in the mitochondria. Patients with LC-FAOD have deficiencies in the enzymes that break down long-chain fatty acids, resulting in an energy deficit. Patients with both of these diseases suffer from lack of endurance, fatigue, and muscle weakness and they are unable to move their muscles efficiently because their ability to generate energy through OxPhos is compromised. Therapies are very limited for patients with rare genetic mitochondrial diseases and consist mainly of dietary management and nutritional supplements to provide alternate sources of energy, and a carefully controlled exercise regimen. Increasing the capacity of these patients to metabolize fatty acids could potentially reduce their energy deficit and improve their ability to function.

McArdle disease patients are unable to break down glycogen in the muscle. Patients with McArdle disease present with severe acute pain and difficulty moving their muscles after the first few minutes of muscle activity. An increase in fatty acid metabolism may allow patients to overcome the deficiency in glycogen, thereby minimizing the lack of energy associated with their disease.

REN001 Overview

REN001 is designed to selectively activate PPARd receptors found in the nuclear membrane of muscle and other cells. PPARd is a member of a family of nuclear receptors that regulate cellular energy generation by modulating the expression of genes that control proteins involved in mitochondrial enzyme activity and the formation of new mitochondria (mitochondrial biogenesis). PPARd is highly expressed in muscle cells and activation of PPARd either through genetic manipulation or through small molecule agonists has been shown to increase the ability of muscle cells to use fatty acids as well as improve muscle strength and exercise tolerance in study animals. We believe these are the mechanisms by which REN001 will act to help patients with mitochondrial diseases.

We completed a Phase 1b clinical trial of REN001 in patients with PMM. In this open label trial, patients with mitochondrial gene defects and myopathy were treated with 100 mg REN001 once daily for 12 weeks. After 12 weeks of treatment, patients were able to increase their distance walked during a 12-minute walk test (12MWT) by 104 meters on average compared to baseline. Based on historic data from controlled studies of other product candidates conducted by third parties involving a six-minute walk test, we believe that this increase is substantially more than what would be expected in patients receiving a placebo. Importantly, the increase in distance walked was more pronounced during the second half of the 12MWT. It is during this period of the 12MWT when FAO becomes the primary process to generate ATP. Other measures such as peak oxygen consumption, performance in the 30-second sit-to-stand test, and symptoms evaluated with patient reported outcome (PRO) questionnaires were all consistent with the potential of REN001 to provide what is considered meaningful clinical improvement. Based on these results, we initiated a global Phase 2b clinical trial in patients with PMM and plan to begin enrollment in the first half of 2021. We plan to conduct a long-term safety trial in a subset of patients from the Phase 2b clinical trial. We anticipate results from these clinical trials in 2023. Based on interactions with United States and several European regulatory agencies, we believe that positive results from these trials could support registration of REN001 for PMM in both the United States and in Europe.

We are also conducting Phase 1b clinical trials of REN001 in patients with LC-FAOD and in patients with McArdle disease. Available results from the first six patients in the LC-FAOD trial showed an improvement in multiple measures, including the 12MWT and patient-reported outcome questionnaires in some patients. We anticipate results from these two Phase 1b clinical trials in the first half of 2022.

As of January 31, 2021, REN001 has been dosed in 112 individuals across multiple clinical trials and was well tolerated, with no drug-related serious adverse events (SAE) reported.

We licensed exclusive, worldwide rights to develop and commercialize REN001 and other related compounds from vTv Therapeutics LLC (vTv Therapeutics) in December 2017.

Our Strategy

Our mission is to bring to market therapies that address high unmet medical needs of patients with genetic mitochondrial diseases. We plan to achieve this goal by rapidly developing REN001 initially for patients with PMM, LC-FAOD, and McArdle disease, and will continue to explore other patient populations where REN001 may provide benefit. We intend to establish REN001 as the standard of care for multiple rare genetic mitochondrial diseases. The components of our strategy are as follows:

- Complete clinical development and seek regulatory approval of REN001 in PMM;
- Advance REN001 clinical development in LC-FAOD and McArdle disease;
- Maximize the commercial potential of REN001 in additional rare disease indications;
- Successfully commercialize REN001 in the United States and key European markets and establish REN001 as standard of care; and
- Expand our rare disease pipeline through acquisitions and/or licensing of complementary programs.

Our Team

Our experienced management team is led by our President and Chief Executive Officer, Gregory J., Flesher, who has more than 25 years of biopharmaceutical industry experience and has been closely involved with the successful development and commercialization of multiple novel drugs. Mr. Flesher previously served as Chief Executive Officer of Novus Therapeutics, Inc., and has held additional leadership roles at Avanir Pharmaceuticals, Inc. (acquired by Otsuka Pharmaceutical Co., Ltd.), InterMune, Inc. (acquired by Roche Holding AG), Amgen Inc. and Eli Lilly and Company. Our Chief Medical Officer, Alejandro Dorenbaum, M.D., has extensive experience in the development of drugs for rare diseases such as Kuvan, Naglazyme, and Palynziq. Dr. Dorenbaum previously served as Chief Medical Officer at Allakos Inc. and Lumena Pharmaceuticals, Inc. and held other leadership roles at Genentech and BioMarin Pharmaceuticals Inc. Our

Chief Development Officer, Wendy Johnson, has over 30 years of pharmaceutical industry experience, including development of the rare disease drug, Treanda. Ms. Johnson held previous leadership positions at AmpliPhi Biosciences Corporation, Aires Pharmaceuticals, Inc. (acquired by Mast Therapeutics, Inc.), and Salmedix, Inc. (acquired by Cephalon, Inc.).

Our Investors

We are supported by leading life sciences investors, including Novo Holdings A/S, Abingworth, New Enterprise Associates, RiverVest Venture Partners, Pappas Capital, Lundbeckfond Ventures, Rock Springs Capital, Aisling Capital, and Amzak Health.

Risks Associated with Our Business

Investing in our common stock involves substantial risk. The risks described under the heading “Risk Factors” immediately following this summary may cause us to not realize the full benefits of our strengths or may cause us to be unable to successfully execute all or part of our strategy. Some of the more significant challenges include the following:

- We have incurred significant net losses since our inception and anticipate that we will continue to incur significant net losses for the foreseeable future.
- We will need substantial additional financing to develop REN001 and any future product candidates and implement our operating plan. If we fail to obtain additional financing, we may be forced to delay, reduce or eliminate our product development programs or commercialization efforts.
- We currently depend entirely on the success of REN001, which is our only product candidate. If we are unable to advance REN001 in clinical development, obtain regulatory approval, and ultimately commercialize REN001, or experience significant delays in doing so, our business will be materially harmed.
- Our clinical trials may fail to adequately demonstrate the safety and efficacy of REN001, which could prevent or delay regulatory approval and commercialization.
- Clinical drug development is a lengthy and expensive process with uncertain outcomes, and results of earlier studies and trials may not be predictive of future trial results.
- Any delays in the commencement or completion, or termination or suspension, of our clinical trials could result in increased costs to us, delay or limit our ability to generate revenue, and adversely affect our commercial prospects.
- The regulatory approval process is lengthy, expensive and uncertain, and we may be unable to obtain regulatory approval for our product candidates under applicable regulatory requirements. The denial or delay of any such approval would delay commercialization of our product candidates and adversely impact our ability to generate revenue, our business and our results of operations.
- Our business has been and could continue to be adversely affected by the evolving and ongoing COVID-19 global pandemic in regions where we or third parties on which we rely have significant manufacturing facilities, concentrations of clinical trial sites or other business operations. The COVID-19 pandemic could adversely affect our operations, as well as the business or operations of our manufacturers, CROs, or other third parties with whom we conduct business.
- If the market opportunities for REN001 and any future product candidates are smaller than we believe they are, our future revenue may be adversely affected, and our business may suffer.
- We may not be successful in our efforts to expand our pipeline by identifying additional indications for which to investigate REN001 in the future. We may expend our limited resources to pursue a particular indication or formulation for REN001 and fail to capitalize on product candidates, indications or formulations that may be more profitable or for which there is a greater likelihood of success.
- We currently have no marketing and sales organization. If we are unable to establish marketing and sales capabilities or enter into agreements with third parties to market and sell REN001 and any future product candidates, we may not be able to generate product revenues.

- We depend on a license agreement with vTv Therapeutics, and termination of this license could result in the loss of significant rights, which would harm our business.
- We rely on third parties to conduct, supervise and monitor our clinical trials. If these third parties do not successfully carry out their contractual duties, meet rigorously enforced regulatory requirements, or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize REN001.
- If the scope of any patent protection we obtain is not sufficiently broad, or if we lose any of our patent protection and/or other market exclusivity, our ability to prevent our competitors from commercializing similar or identical product candidates may be adversely affected.
- Our principal stockholders and management own a significant percentage of our stock and will be able to exert significant control over matters subject to stockholder approval.

Implications of Being an Emerging Growth Company and Smaller Reporting Company

We are an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 (the JOBS Act). We may take advantage of certain exemptions from various public company reporting requirements, including being permitted to provide only two years of audited financial statements, in addition to any required unaudited interim financial statements with correspondingly reduced "Management's Discussion and Analysis of Financial Condition and Results of Operations" disclosure, not being required to have our internal control over financial reporting audited by our independent registered public accounting firm under Section 404 of the Sarbanes-Oxley Act of 2002 (the Sarbanes-Oxley Act) reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We may take advantage of these exemptions until the last day of the fiscal year ending after the fifth anniversary of this offering or until we are no longer an emerging growth company, whichever is earlier. We will cease to be an emerging growth company prior to the end of such five-year period if certain earlier events occur, including if we become a "large accelerated filer" as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the Exchange Act) our annual gross revenues exceed $1.07 billion or we issue more than $1.0 billion of non-convertible debt in any three-year period. In particular, in this prospectus, we have provided only two years of audited consolidated financial statements and have not included all of the executive compensation related information that would be required if we were not an emerging growth company, and we may elect to take advantage of other reduced reporting requirements in future filings. Accordingly, the information contained herein may be different than the information you receive from other public companies in which you hold stock.

In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This provision allows an emerging growth company to delay the adoption of accounting standards that have different effective dates for public and private companies until those standards would otherwise apply to private companies. We have elected to use this extended transition period under the JOBS Act until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our consolidated financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

We are also a "smaller reporting company" as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as our voting and non-voting common stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100.0 million during the most recently completed fiscal year and our voting and non-voting common

stock held by non-affiliates is less than $700.0 million measured on the last business day of our second fiscal quarter.

Corporate Information

We were incorporated under the laws of the State of Delaware in September 2014 as Reneo Pharmaceuticals, Inc. Our principal executive offices are located at 12230 El Camino Real, Suite 230, San Diego, California 92130, and our telephone number is (858) 283-0280. We also occupy offices in Sandwich, United Kingdom. Our website address is www.reneopharma.com. Information contained in, or that can be accessed through, our website is not incorporated by reference into this prospectus.

THE OFFERING

Common stock offered by us	shares.
Option to purchase additional shares	We have granted the underwriters the option to purchase up to additional shares of our common stock. The underwriters can exercise this option at any time within 30 days after the date of this prospectus.
Common stock to be outstanding after this offering	shares (or shares if the underwriters' option to purchase additional shares of our common stock from us is exercised in full).
Use of proceeds	We estimate that the net proceeds from this offering will be approximately $ million (or approximately $ million if the underwriters' option to purchase up to additional shares of our common stock from us is exercised in full), based on the assumed initial public offering price of $ per share, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds from this offering, together with our existing cash and cash equivalents, to fund the research and development of REN001, for commercial readiness preparations, for other research and development activities, and for working capital and general corporate purposes. See the section titled "Use of Proceeds" for additional information.
Risk factors	See the section titled "Risk Factors" and other information included in this prospectus for a discussion of factors you should consider carefully before deciding to invest in our common stock.
Proposed Nasdaq Global Market symbol	"RPHM."

The number of shares of our common stock to be outstanding after this offering is based on 56,930,097 shares of common stock outstanding as of December 31, 2020, after giving effect to the conversion of all outstanding shares of our convertible preferred stock into 47,742,986 shares of common stock in connection with the closing of this offering, and excludes:

- 4,186,157 shares of our common stock issuable upon the exercise of outstanding stock options as of December 31, 2020, with a weighted-average exercise price of $0.57 per share;
- 8,784,754 shares of our common stock issuable upon the exercise of outstanding stock options granted in January 2021, with a weighted-average exercise price of $1.09 per share;
- shares of our common stock reserved for future issuance under our 2021 Equity Incentive Plan (2021 Plan) which will become effective once the registration statement of which this prospectus forms a part is declared effective, as well as any automatic annual increases in the number of shares of common stock reserved for issuance under our 2021 Plan and any shares underlying outstanding stock awards granted under our 2014 Equity Incentive Plan, as amended (2014 Plan) that expire or are repurchased, forfeited, cancelled or withheld, as more fully described in the section titled "Executive Compensation—Employee Benefit Plans"; and
- shares of our common stock reserved for issuance under our 2021 Employee Stock Purchase Plan (ESPP) which will become effective once the registration statement of which this prospectus

forms a part is declared effective, and any automatic annual increases in the number of shares of common stock reserved for future issuance under our ESPP.

In addition, unless we specifically state otherwise, the information in this prospectus assumes or gives effect to:

- the conversion of all outstanding shares of our convertible preferred stock into an aggregate of 47,742,986 shares of our common stock in connection with the closing of this offering;
- no exercise of the outstanding options described above;
- no exercise of the underwriters' option to purchase up to additional shares of common stock from us in this offering;
- an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus;
- a -for- reverse stock split of our common stock to be effected prior to the closing of this offering; and
- the filing and effectiveness of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws in connection with the closing of this offering.

SUMMARY CONSOLIDATED FINANCIAL DATA

The following tables set forth our summary consolidated financial data for the periods and as of the dates indicated. We derived our summary consolidated statements of operations and comprehensive loss data for the years ended December 31, 2019 and December 31, 2020 and the summary consolidated balance sheet data as of December 31, 2020 from our audited consolidated financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected in the future. You should read the following summary consolidated financial data in conjunction with our consolidated financial statements and related notes included elsewhere in this prospectus and the information in the sections titled "Selected Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Consolidated Statements of Operations and Comprehensive Loss Data:	YEAR ENDED DECEMBER 31, 2019	2020
	(in thousands, except share and per share amounts)	
Operating expenses:		
Research and development	$ 13,097	$
General and administrative	2,376	
Total operating expenses	15,473	
Loss from operations	(15,473)	
Other income:		
Change in fair value of Series A convertible preferred stock purchase right liability	2,581	
Other income	456	
Net loss	$ (12,436)	$
Net loss per share attributable to common stockholders, basic and diluted (1)	$ (1.43)	$
Weighted-average shares of common stock outstanding, basic and diluted (1)	8,717,693	
Pro forma net loss per share, basic and diluted (unaudited)(2)		$
Pro forma weighted-average shares of common stock outstanding, basic and diluted (unaudited) (2)		$

(1) See Note 2 to our audited consolidated financial statements included elsewhere in this prospectus for an explanation of the method used to calculate historical net loss per share, basic and diluted, and the weighted-average number of shares of common stock used in the computation of the per share amounts.

(2) The calculations for the unaudited pro forma net loss per share, basic and diluted, and the pro forma weighted average shares of common stock outstanding, basic and diluted, assume the conversion of all our outstanding shares of convertible preferred stock into shares of our common stock, as if the conversion had occurred at the beginning of the period presented, or the issuance date, if later.

	AS OF DECEMBER 31, 2020		
	ACTUAL	PRO FORMA (1)	PRO FORMA AS ADJUSTED (2)(3)
	(in thousands)		(unaudited)
Consolidated Balance Sheet Data:			
Cash and cash equivalents	$	$	$
Working capital (4)			
Total assets			
Total liabilities			
Convertible preferred stock			
Accumulated deficit			
Total stockholders' equity (deficit)			

(1) Gives effect to (i) the conversion of all outstanding shares of our convertible preferred stock into an aggregate of 47,742,986 shares of common stock and the related reclassification of the carrying value of our convertible preferred stock to permanent equity in connection with the closing of this offering and (ii) the filing and effectiveness of our amended and restated certificate of incorporation in connection with the closing of this offering.

(2) Gives effect to (i) the items described in footnote (1) above and (ii) the issuance and sale of shares of our common stock in this offering at the assumed initial public offering price of $ per share, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(3) The pro forma as adjusted information is illustrative only and will depend on the actual initial public offering price and other terms of this offering determined at pricing. A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) each of cash and cash equivalents, working capital, total assets and total stockholders' equity (deficit) by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, after deducting estimated underwriting discounts and commissions. Similarly, each increase (decrease) of 1.0 million shares in the number of shares of common stock offered by us would increase (decrease) each of cash and cash equivalents, working capital, total assets and total stockholders' equity (deficit) by $ million, assuming the assumed initial public offering price of $ per share remains the same, and after deducting estimated underwriting discounts and commissions.

(4) We define working capital as current assets less current liabilities. See our consolidated financial statements and related notes included elsewhere in this prospectus for further details regarding our current assets and current liabilities.

RISK FACTORS

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

Risks Related to Our Business and Industry

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

We are a clinical-stage pharmaceutical company founded in 2014, and our operations to date have focused primarily on raising capital, establishing and protecting our intellectual property portfolio, organizing and staffing our company, business planning, and conducting preclinical and clinical development of, and manufacturing development for, our only product candidate, REN001. Additionally, as an organization, we have not yet demonstrated an ability to successfully complete clinical development, obtain regulatory approvals, manufacture a commercial-scale product, or conduct sales and marketing activities necessary for successful commercialization. As we build our capabilities and expand our organization, we have not yet demonstrated an ability to overcome many of the risks and uncertainties frequently encountered by companies in new and rapidly evolving fields, particularly in the pharmaceutical area. Consequently, any predictions about our future performance may not be as accurate as they would be if we had a history of successfully developing and commercializing pharmaceutical products.

Investment in pharmaceutical product development is highly speculative because it entails substantial upfront capital expenditures and significant risk that any potential product candidate will fail to demonstrate adequate effectiveness in the targeted indication or an acceptable safety profile, gain regulatory approval and become commercially viable. We have no products approved for commercial sale and have not generated any revenue to date, and we continue to incur significant research and development and other expenses related to our ongoing operations. As a result, we are not profitable and have incurred significant net losses since our inception. If REN001 is not successfully developed and approved in the United States or Europe, we may never generate any revenue. For the years ended December 31, 2019 and 2020, we reported a net loss of $ 12.4 million and $ million, respectively. As of December 31, 2020, we had an accumulated deficit of $ million.

We expect to continue to incur significant losses for the foreseeable future, and we expect these losses to increase as we continue our clinical development of, and seek regulatory approvals for, REN001 and any future product candidates. We may encounter unforeseen expenses, difficulties, complications, delays, and other unknown factors that may adversely affect our business. The size of our future net losses will depend, in part, on the rate of future growth of our expenses and our ability to generate revenues. Our prior net losses and expected future net losses have had and will continue to have an adverse effect on our stockholders' equity and working capital. Because of the numerous risks and uncertainties associated with drug development, we are unable to accurately predict the timing or amount of increased expenses, or when, if at all, we will be able to achieve profitability.

We will need substantial additional financing to develop REN001 and any future product candidates and implement our operating plan. If we fail to obtain additional financing, we may be forced to delay, reduce or eliminate our product development programs or commercialization efforts.

Our operations have consumed substantial amounts of cash since our inception. We expect to continue to spend substantial amounts to continue the clinical development of, and seek regulatory approval for, REN001 and any future product candidates. We will require significant additional amounts in order to prepare for commercialization, and, if approved, to launch and commercialize REN001.

We estimate that the net proceeds from this offering will be approximately $ million, based on the assumed initial public offering price of $ per share, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We believe, based on our current operating plan, that such proceeds, together with our existing cash and cash equivalents, will be sufficient to fund our operations for at least the next months. However, changing circumstances may cause us to consume capital significantly faster than we currently anticipate, and we may need to spend more money than currently expected because of circumstances beyond our control. Our future capital requirements will depend on many factors, including:

- the scope, progress, results and costs of clinical trials and preclinical studies for REN001;
- the scope, prioritization and number of our research and indications we pursue;
- the costs and timing of manufacturing for our product candidate;
- the costs, timing, and outcome of regulatory review of REN001;
- the timing and amount of the milestone or other payments we must make to vTv Therapeutics and any future licensors;
- the terms and timing of establishing and maintaining collaborations, licenses and other similar arrangements;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims;
- the extent to which we acquire or in-license other product candidates and technologies;
- the costs of securing manufacturing arrangements for commercial production;
- our ability to achieve sufficient market acceptance, coverage and adequate reimbursement from third-party payors and adequate market share and revenue for any approved products; and
- the costs of establishing or contracting for sales and marketing capabilities if we obtain regulatory approvals to market our product candidate.

In any event, we will require additional capital for the further development and commercialization of REN001 and any future product candidates and may need to raise additional funds sooner if we choose to expand more rapidly than we presently anticipate. In addition, we may seek additional capital due to favorable market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans.

Until such time as we can generate significant revenue from sales of our product candidate, if ever, we expect to finance our operations through public or private equity offerings or debt financings, credit or loan facilities, collaborations, strategic alliances, licensing arrangements or a combination of one or more of these funding sources. Additional funds may not be available to us on acceptable terms or at all. Our ability to raise additional funds may be adversely impacted by potential worsening global economic conditions and the recent disruptions to, and volatility in, the credit and financial markets in the United States and worldwide resulting from the ongoing COVID-19 pandemic. If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we may have to significantly delay, scale back, or discontinue the development or commercialization of REN001 or other research and development initiatives. We also could be required to seek collaborators for REN001 and any future product candidates at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available or relinquish or license on unfavorable terms our rights to REN001 and any future product candidates in markets where we otherwise would seek to pursue development or commercialization ourselves.

We currently depend entirely on the success of REN001, which is our only product candidate. If we are unable to advance REN001 in clinical development, obtain regulatory approval, and ultimately commercialize REN001, or experience significant delays in doing so, our business will be materially harmed.

We currently only have one product candidate, REN001, and our business and future success depends entirely on our ability to develop, obtain regulatory approval for, and then successfully commercialize, REN001, which is currently in clinical development for patients with PMM, patients with LC-FAOD and patients with McArdle disease. This may make an investment in our company riskier than similar companies that have multiple product candidates in active development that may be able to better sustain failure of a lead product candidate.

The success of REN001 will depend on several factors, including the following:

- successful enrollment in our ongoing and planned clinical trials and completion of such clinical trials with favorable results;
- acceptance by the FDA and EMA of data from our Phase 2b or future clinical trials in patients with PMM;
- demonstrating safety and efficacy to the satisfaction of applicable regulatory authorities;
- the outcome, timing, and cost of meeting regulatory requirements established by the FDA, EMA, and other comparable foreign regulatory authorities;
- receipt of marketing approvals from applicable regulatory authorities, including one or more new drug applications (NDAs) from the FDA and marketing authorizations from the EMA, and maintaining such approvals;
- establishing commercial manufacturing relationships and receiving/importing commercial supplies approved by the FDA and other regulatory authorities from any future third-party manufacturer;
- establishing sales, marketing, and distribution capabilities and commercializing REN001, if approved, whether alone or in collaboration with others;
- acceptance, if and when approved, by patients, the medical community and third-party payors;
- obtaining and maintaining third-party coverage and adequate reimbursement;
- establishing and maintaining patent and trade secret protection and regulatory exclusivity for REN001;
- maintaining an acceptable safety profile of REN001 following approval; and
- maintaining and growing an organization of people who can develop REN001.

If we do not achieve one or more of these factors, many of which are beyond our control, in a timely manner or at all, we could experience significant delays or an inability to develop, obtain regulatory approvals or commercialize REN001.

Even if regulatory approvals are obtained, we may never be able to successfully commercialize REN001. In addition, we will need to transition at some point from a company with a development focus to a company capable of supporting commercial activities. We may not be successful in such a transition. Accordingly, we may not be able to generate sufficient revenue through the sale of REN001 to continue our business.

Our clinical trials may fail to adequately demonstrate the safety and efficacy of REN001, which could prevent or delay regulatory approval and commercialization.

Before obtaining regulatory approvals for the commercial sale of a product candidate, we must demonstrate through lengthy, complex, and expensive preclinical testing and clinical trials that a product candidate is both safe and effective for use in each target indication. Clinical trials often fail to demonstrate safety and efficacy of the product candidate studied for the target indication. Most product candidates that commence clinical trials are never approved by regulatory authorities for commercialization. Further, we have used patient reported outcomes in our clinical trials, including our Phase 1b clinical trial of REN001 of PMM, such as the Modified Fatigue Impact Scale, the Brief Pain Inventory assessment, and a short form health survey that assesses the general health of patients. Such patient reported outcomes are based on subjective patient feedback and can be inherently difficult to evaluate. Such patient reported outcomes can be influenced by factors outside of our control and can vary widely from day to day for a particular patient, and from patient to patient and site to site within a clinical trial. It is possible that the FDA will not accept such patient reported outcomes, and any such non-acceptance may require changes to existing trial protocols or the conduct of additional clinical trials. Moreover, our Phase 1b clinical trial of REN001 in patients with PMM and our Phase 1b clinical trial in patients with LC-FAOD utilize a 12MWT as an assessment of functionality in patients with genetic mitochondrial diseases who commonly lack endurance rather than the more commonly used six minute walk test (6MWT). Although we believe the 12MWT is the appropriate assessment tool, we cannot guarantee you that the FDA or other regulators will not require clinical results from a 6MWT for approval. Additionally, any safety concerns observed in any one of our clinical trials in our targeted indications could limit the prospects for regulatory approval of REN001 in other indications.

Clinical drug development is a lengthy and expensive process with uncertain outcomes, and results of earlier studies and trials may not be predictive of future trial results.

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. A failure of one or more clinical trials can occur at any stage of testing. The results of preclinical studies and early clinical trials of REN001 may not be predictive of the results of later-stage clinical trials. In addition, product candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through preclinical studies and initial clinical trials. For example, while the results of our Phase 1b clinical trial in patients with PMM showed that treatment with REN001 was well tolerated, improved exercise performance, increased oxygen consumption and stamina, as well as improved patient reported symptoms, we may not obtain the same results in future clinical trials. Also, because there are generally no approved drugs for our clinical indications, there are few regulatory precedents by which we can be guided with respect to clinical endpoints.

As such, we cannot be certain that our ongoing and planned clinical trials will be successful. A number of companies in the pharmaceutical industry have suffered significant setbacks in advanced clinical trials due to lack of efficacy or safety profiles, notwithstanding promising results in earlier trials. Moreover, preclinical and clinical data is often susceptible to varying interpretations and analyses. Our clinical trials have involved a limited number of patients and clinical trial sites. We may face significant setbacks as we expand the number of patients and clinical sites, potentially affecting the efficiency of trial execution and the consistency of trial data, which may delay or prevent regulatory approval of REN001. Any safety concerns observed in any one of our clinical trials in our targeted indications could limit the prospects for regulatory approval of REN001 in those and other indications, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Further, if patients drop out of our clinical trials, miss scheduled doses or follow-up visits, or otherwise fail to follow clinical trial protocols, whether as a result of the COVID-19 pandemic, actions taken to slow the spread of COVID-19 or otherwise, the integrity of data from our clinical trials may be compromised or not accepted by the FDA or other regulatory authorities, which would represent a significant setback for the applicable program.

If we encounter difficulties enrolling patients in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.

We may not be able to initiate or continue our clinical trials for REN001 and any future product candidates if we are unable to identify and enroll a sufficient number of eligible patients to participate in these trials as required by the FDA and comparable foreign regulatory authorities. Patient enrollment, a significant factor in the timing of clinical trials, is affected by many factors including the size and nature of the patient population, the proximity of patients to clinical sites, the eligibility criteria for the clinical trial, the design of the clinical trial, competing clinical trials, and clinicians' and patients' perceptions as to the potential advantages of the product candidate being studied in relation to other available therapies, including any new drugs that may be approved for the indications we are investigating.

In particular, each indication for which we are evaluating REN001 is a rare genetic disease with limited patient populations from which to draw participants in clinical trials. For example, we estimate that PPM, LC-FAOD and McArdle disease have a prevalence of approximately 100,000 patients, 15,000 patients and 11,000 patients, respectively, in the United States and Europe combined. We will be required to identify and enroll a sufficient number of patients with the disease under investigation for our clinical trials of REN001. Potential patients may not be adequately diagnosed or identified with the diseases which we are targeting or may not meet the entry criteria for our clinical trials. Additionally, other pharmaceutical companies with more resources and greater experience in drug development and commercialization are targeting certain of the genetic mitochondrial diseases we are targeting and may do so with respect to additional indications we target in the future. Any recruiting of clinical trial patients by competitors from the patient populations we are targeting in our ongoing or future clinical trials may delay or make it more difficult to fully enroll our clinical trials. Our inability to enroll a sufficient number of patients for any of our current or future clinical trials would result in significant delays or may require us to abandon one or more clinical trials altogether. In addition, we rely on CROs and clinical trial sites to ensure proper and timely conduct of our clinical trials and, while we have agreements governing their services, we will have limited influence over their actual performance.

We are unable to predict with confidence the duration of such patient enrollment delays and difficulties, whether related to COVID-19 or otherwise. If patient enrollment is delayed for an extended period of time, our clinical trials could be delayed or otherwise adversely affected.

Any delays in the commencement or completion, or termination or suspension, of our clinical trials could result in increased costs to us, delay or limit our ability to generate revenue, and adversely affect our commercial prospects.

Before we can initiate clinical trials for REN001 or any future product candidates, we must submit the results of preclinical studies to the FDA or comparable foreign regulatory authorities, along with other information, including information about chemistry, manufacturing and controls, and our proposed clinical trial protocol, as part of an IND or similar regulatory filing under which we must receive authorization to proceed with clinical development. While we have already submitted the INDs for our clinical trials of REN001 in PMM and LC-FAOD, if our clinical trial of REN001 in McArdle disease, which is currently being conducted outside of the United States, is instead conducted within the United States, we will need to submit an IND with the FDA prior to initiating such trial.

Before obtaining marketing approval from regulatory authorities for the sale of REN001 or any future product candidates, we must conduct extensive clinical trials to demonstrate the safety and efficacy of REN001 and any future product candidates in humans. Clinical testing is expensive, time-consuming, and uncertain as to outcome. In addition, we may rely in part on preclinical, clinical and quality data generated by CROs and other third parties for regulatory submissions for REN001 and any future product candidates. While we have or will have agreements governing these third parties' services, we have limited influence over their actual performance. If these third parties do not make data available to us, or, if applicable, do not make regulatory submissions in a timely manner, in each case pursuant to our agreements with them, our development programs may be significantly delayed, and we may need to conduct additional clinical trials or collect additional data independently. In either case, our development costs would increase.

We do not know whether our current or any future clinical trials will begin on time, need to be redesigned, enroll an adequate number of patients, or be completed on schedule, if at all. The commencement and completion of clinical trials can be delayed for a number of reasons, including delays related to:

- obtaining regulatory authorizations to commence a clinical trial or reaching a consensus with regulatory authorities on clinical trial design or implementation;
- any failure or delay in reaching an agreement with CROs and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and clinical trial sites;
- obtaining approval from one or more institutional review boards (IRBs) or Ethics Committees (ECs);
- IRBs or ECs refusing to approve, suspending or terminating the clinical trial at an investigational site, precluding enrollment of additional subjects, or withdrawing their approval of the clinical trial;
- changes to clinical trial protocols;
- selection of clinical endpoints that require prolonged periods of clinical observation or analysis of the resulting data;
- sites deviating from clinical trial protocol or dropping out of a clinical trial;
- the FDA or comparable foreign regulatory authorities' failure to accept our proposed manufacturing processes and suppliers and/or requirement to provide additional information regarding our manufacturing processes before providing marketing authorization;
- manufacturing sufficient quantities of REN001 or any future product candidates or obtaining sufficient quantities of combination therapies for use in clinical trials;
- subjects failing to enroll or remain in our trials at the rate we expect, or failing to return for post-treatment follow-up;
- subjects choosing an alternative treatment for the indications for which we are developing REN001 and any future product candidates, or participating in competing clinical trials;
- lack of adequate funding to continue the clinical trial;
- subjects experiencing severe or unexpected drug-related adverse effects;
- occurrence of SAEs in clinical trials of the same class of agents conducted by other companies;

- a facility manufacturing REN001 or any of its components being ordered by the FDA or comparable foreign regulatory authorities to temporarily or permanently shut down due to violations of current good manufacturing practice (cGMP) regulations or other applicable requirements, or infections or cross-contaminations of REN001 in the manufacturing process;
- any changes to our manufacturing process, suppliers or formulation that may be necessary or desired;
- third-party vendors not performing manufacturing and distribution services in a timely manner or to sufficient quality standards;
- supply chain disruptions such as scarcity of raw materials used to manufacture REN001;
- impact of possible trade disputes with countries where REN001 or its ingredients are manufactured;
- third-party clinical investigators losing the licenses or permits necessary to perform our clinical trials, not performing our clinical trials on our anticipated schedule or consistent with the clinical trial protocol, good clinical practice (GCP) or other regulatory requirements;
- third-party contractors not performing data collection or analysis in a timely or accurate manner;
- third-party contractors becoming debarred or suspended or otherwise penalized by the FDA or other government or regulatory authorities for violations of regulatory requirements, in which case we may need to find a substitute contractor, and we may not be able to use some or all of the data produced by such contractors in support of our marketing applications; or
- the impacts of the COVID-19 pandemic on our ongoing and planned clinical trials.

In addition, disruptions caused by the COVID-19 pandemic may increase the likelihood that we encounter such difficulties or delays in initiating, enrolling, conducting, or completing our planned and ongoing clinical trials. For example, our Phase 1b clinical trial of REN001 in PMM patients was closed early as a result of the COVID-19 pandemic. We could also encounter delays if a clinical trial is suspended or terminated by us, by the IRBs or ECs of the institutions in which such trials are being conducted or by the FDA or comparable foreign regulatory authorities. Such authorities may impose such a suspension or termination due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, inspection of the clinical trial operations or trial site by the FDA or comparable foreign regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. In addition, changes in regulatory requirements and policies may occur, and we may need to amend clinical trial protocols to comply with these changes. For example, in 2005, the FDA published data from two-year mouse and rat carcinogenicity studies that showed correlations between tissue distribution and rodent tumor development in 11 PPAR agonists (five gamma (g) and six alpha/gamma (a/g)). Although PPAR agonists are not considered genotoxic, tissue-specific distribution of PPAR receptors appear to correlate with tumor incidence in rodent models. PPAR alpha (PPARa) mediated activation of genes involved in peroxisome oxidation and biogenesis is known to be carcinogenic in rodents, an effect that has not been observed in humans. FDA placed a class-wide partial clinical hold on all PPAR agonists, requiring sponsors to complete the two-year rat and mouse carcinogenicity studies before conducting studies longer than six-months in duration. As a result, it may take longer to enroll patients in the long-term safety trial, which could adversely affect the timing of our regulatory submissions for marketing approval. Amendments may require us to resubmit our clinical trial protocols to IRBs for reexamination, which may impact the costs, timing, or successful completion of a clinical trial.

Further, conducting clinical trials in foreign countries, which we are doing for REN001 and expect to do for any future product candidates, presents additional risks that may delay completion of our clinical trials. These risks include the failure of enrolled patients in foreign countries to adhere to clinical protocol as a result of differences in healthcare services or cultural customs, managing additional administrative burdens associated with foreign regulatory schemes, as well as political and economic risks relevant to such foreign countries.

Moreover, principal investigators for our clinical trials may serve and have served as scientific advisors or consultants to us from time to time and receive compensation in connection with such services. Under certain circumstances, we may be required to report some of these relationships to the FDA or comparable foreign regulatory authorities. The FDA or comparable foreign regulatory authority may conclude that a financial relationship between us and a principal investigator has created a conflict of interest or otherwise affected interpretation of the trial. The FDA or comparable foreign regulatory authority may therefore question the integrity of the data generated at the applicable clinical trial

site and the utility of the clinical trial itself may be jeopardized. This could result in a delay in approval, or rejection, of our marketing applications by the FDA or comparable foreign regulatory authority, as the case may be, and may ultimately lead to the denial of marketing approval of REN001.

If we experience delays in the completion of, or termination of, any clinical trial of REN001 or any future product candidates, the commercial prospect of REN001 or any future product candidates will be harmed, and our ability to generate product revenue will be delayed. Moreover, any delays in completing our clinical trials will increase our costs, slow down our product candidate development and approval process and jeopardize our ability to commence product sales and generate revenue. In addition, many of the factors that cause, or lead to, termination or suspension of, or a delay in the commencement or completion of, clinical trials may also ultimately lead to the denial of regulatory approval of REN001 or any future product candidates. Further, delays to our clinical trials that occur as a result could shorten any period during which we may have the exclusive right to commercialize REN001 and our competitors may be able to bring products to market before we do, and the commercial viability of REN001 could be significantly reduced. Any of these occurrences may harm our business, financial condition, results of operations and prospects significantly.

Use of REN001 or any future product candidates could be associated with side effects, adverse events or other properties that could delay or prevent regulatory approval or result in significant negative consequences following marketing approval, if any.

As is the case with pharmaceuticals generally, it is likely that there may be side effects and adverse events associated with the use of REN001 and any future product candidates. Results of our clinical trials could reveal a high and unacceptable severity and prevalence of side effects or unexpected characteristics. Undesirable side effects caused by REN001 and any future product candidates could cause us or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other comparable foreign authorities. For example, we observed an incipient cataract in one patient in the McArdle Phase 1b study and if this adverse event is observed disproportionately in placebo-controlled studies, the FDA or comparable foreign agencies may determine that the risk-benefit profile is not favorable and may not approve REN001, and even if REN001 is approved, such findings may lead to a more limited label, including warnings and precautions, or a risk evaluation and mitigation strategy or other risk minimization tools available to FDA. If drug-related SAEs are observed, our trials could be suspended or terminated, and the FDA or comparable foreign regulatory authorities could order us to cease further development of or deny approval for REN001 for any or all targeted indications. The drug-related side effects could affect patient recruitment or the ability of enrolled patients to complete the trial or result in potential product liability claims. Any of these occurrences may harm our business, financial condition, results of operations and prospects significantly.

While to date we have not seen any drug-related serious adverse effects, only 112 subjects have been treated with REN001, and the safety profile in a broader number of patients with genetic mitochondrial myopathies is unknown and may be different than that observed in previous clinical trials. Results of our trials could reveal a high and unacceptable severity and prevalence of side effects.

Additionally, if REN001 and any future product candidates receive marketing approval, and we or others later identify undesirable side effects caused by such product candidate, a number of potentially significant negative consequences could result, including:

- we may be forced to suspend marketing of that product, or decide to remove the product form the marketplace;
- regulatory authorities may withdraw approvals or change their approvals of such product;
- regulatory authorities may require additional warnings on the label or limit access of that product to selective specialized centers with additional safety reporting and with requirements that patients be geographically close to these centers for all or part of their treatment;
- we may be required to create a medication guide outlining the risks of such side effects for distribution to patients;
- we may be required to change the way the product is administered;

- we could be subject to fines, injunctions, or the imposition of criminal or civil penalties, or sued and held liable for harm caused to subjects or patients; and
- the product may become less competitive, and our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of REN001 and any future product candidates, if approved, and could significantly harm our business, results of operations, and prospects.

The regulatory approval process is lengthy, expensive and uncertain, and we may be unable to obtain regulatory approval for our product candidates under applicable regulatory requirements. The denial or delay of any such approval would delay commercialization of our product candidates and adversely impact our ability to generate revenue, our business and our results of operations.

The clinical development, manufacturing, labeling, storage, record-keeping, advertising, promotion, import, export, marketing, and distribution of REN001 is subject to extensive regulation by the FDA in the United States and by comparable foreign regulatory authorities in foreign markets. In the United States, we are not permitted to market REN001 and any future product candidates until we receive regulatory approval from the FDA. The process of obtaining regulatory approval is expensive, often takes many years following the commencement of clinical trials and can vary substantially based upon the type, complexity, and novelty of the product candidates involved, as well as the target indications and patient population. Approval policies or regulations may change, and the FDA has substantial discretion in the drug approval process, including the ability to delay, limit, or deny approval of a product candidate for many reasons. Despite the time and expense invested in clinical development of product candidates, regulatory approval is never guaranteed. Neither we nor any future collaborator is permitted to market REN001 and any future product candidates in the United States until we receive approval of an NDA from the FDA. We have not previously submitted an NDA to the FDA, or similar drug approval filings to comparable foreign authorities.

Prior to obtaining approval to commercialize a product candidate in the United States or in foreign markets, we must demonstrate with substantial evidence from adequate and well-controlled clinical trials, and to the satisfaction of the FDA or comparable foreign regulatory authorities, that such product candidates are safe and effective for their intended uses. Results from nonclinical studies and clinical trials can be interpreted in different ways. Even if we believe the nonclinical or clinical data for REN001 are promising, such data may not be sufficient to support approval by the FDA and comparable foreign regulatory authorities. The FDA or comparable foreign regulatory authorities, as the case may be, may also require us to conduct additional preclinical studies or clinical trials for REN001 and any future product candidates either prior to or post-approval, or may object to elements of our clinical development program.

REN001 and any future product candidates could fail to receive regulatory approval for many reasons, including the following:

- serious and unexpected drug-related side effects may be experienced by participants in our clinical trials or by people using drugs similar to REN001 and any future product candidates;
- the population studied in the clinical trial may not be sufficiently broad or representative to assure safety in the full population for which we seek approval;
- the FDA or comparable foreign regulatory authorities may not accept clinical data from trials which are conducted at clinical facilities or in countries where the standard of care is potentially different from that of the United States;
- we may be unable to demonstrate to the satisfaction of the FDA or comparable foreign regulatory authorities that a product candidate is safe and effective for any of its proposed indications;
- the results of clinical trials may not meet the level of statistical significance required by the FDA or comparable foreign regulatory authorities for approval;
- we may be unable to demonstrate that a product candidate’s clinical and other benefits outweigh its safety risks;
- the FDA or comparable foreign regulatory authorities may disagree with our interpretation of data from preclinical studies or clinical trials;

- the data collected from clinical trials of REN001 and any future product candidates may not be sufficient to satisfy the FDA or comparable foreign regulatory authorities to support the submission of an NDA or other comparable submissions in foreign jurisdictions or to obtain regulatory approval in the United States or elsewhere;
- the FDA or comparable foreign regulatory authorities may fail to approve the manufacturing processes or facilities of third-party manufacturers with which we contract for clinical and commercial supplies; and
- the approval policies or regulations of the FDA or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval.

Any of the above events could prevent us from achieving market approval of REN001 or any future product candidates and could substantially increase the costs of commercializing REN001 or any future product candidates. The demand for REN001 or any future product candidates could also be negatively impacted by any adverse effects of a competitor's product or treatment.

Of the large number of drugs in development, only a small percentage successfully complete the FDA or foreign regulatory approval processes and are commercialized. The lengthy approval process as well as the unpredictability of future clinical trial results may result in our failing to obtain regulatory approval to market REN001 and any future product candidates, which would significantly harm our business, financial condition, results of operations and prospects.

Even if we eventually complete clinical trials and receive approval of an NDA or foreign marketing application for REN001 and any future product candidates, the FDA or comparable foreign regulatory authority may grant approval contingent on the performance of costly additional clinical trials, including Phase 4 clinical trials, and/or the implementation of a risk evaluation and mitigation strategy (REMS) which may be required to ensure safe use of the drug after approval. The FDA or the comparable foreign regulatory authority also may approve a product candidate for a more limited indication or patient population than we originally requested, and the FDA or comparable foreign regulatory authority may not approve the labeling that we believe is necessary or desirable for the successful commercialization of a product. Any delay in obtaining, or inability to obtain, applicable regulatory approval would delay or prevent commercialization of that product candidate and would materially adversely impact our business and prospects.

Our business has been and could continue to be adversely affected by the evolving and ongoing COVID-19 global pandemic in regions where we or third parties on which we rely have significant manufacturing facilities, concentrations of clinical trial sites or other business operations. The COVID-19 pandemic could adversely affect our operations, as well as the business or operations of our manufacturers, CROs, or other third parties with whom we conduct business.

Our business has been and could continue to be adversely affected by the evolving COVID-19 pandemic, which was declared by the World Health Organization as a global pandemic. As COVID-19 continues to spread, we may experience ongoing disruptions that could severely impact our business and clinical trials, including:

- delays or difficulties in enrolling patients in our clinical trials;
- delays or difficulties in clinical site initiation, including difficulties in recruiting clinical site; investigators and clinical site staff;
- delays in clinical sites receiving the supplies and materials needed to conduct our clinical trials, including interruption in global shipping that may affect the transport of clinical trial materials;
- changes in local regulations as part of a response to the COVID-19 outbreak which may require us to change the ways in which our clinical trials are conducted, which may result in unexpected costs, or to discontinue the clinical trials altogether;
- diversion of healthcare resources away from the conduct of clinical trials, including the diversion of hospitals serving as our clinical trial sites and hospital staff supporting the conduct of our clinical trials;
- interruption of key clinical trial activities, such as clinical trial site monitoring, due to limitations on travel imposed or recommended by federal or state governments, employers and others, or interruption of clinical trial subject visits and study procedures, the occurrence of which could affect the integrity of clinical trial data;

- interruptions or delays in the operations of the FDA or other regulatory authorities, which may impact review and approval timelines;
- risk that participants enrolled in our clinical trials will acquire COVID-19 while the clinical trial is ongoing, which could impact the results of the clinical trial, including by increasing the number of observed adverse events;
- refusal of the FDA to accept data from clinical trials in affected geographies; and
- increased costs relating to mitigating the impact of COVID-19 on any of the foregoing factors.

These and other disruptions in our operations and the global economy could negatively impact our business, operating results and financial condition.

Our clinical trials have been, and may in the future be, affected by the COVID-19 pandemic. For example, as a result of the COVID-19 pandemic, our Phase 1b clinical trial of REN001 in PMM patients was closed early and we temporarily paused enrollment in our Phase 1b clinical trials of LC-FAOD and McArdle disease, which enrollment has now recommenced in certain countries. Additionally, the COVID-19 pandemic may impact patient enrollment in all of our ongoing clinical trials. In particular, some sites may pause enrollment to focus on, and direct resources to, COVID-19, while at other sites, patients may choose not to enroll or continue participating in the clinical trial as a result of the pandemic. In addition, patient visits to our clinical trial sites in the United States, the United Kingdom (UK) and Spain at some point in the past or currently have slowed as a result of the COVID-19 pandemic. Further, according to the Centers for Disease Control and Prevention and the National Health Service in the UK, people who have serious chronic medical conditions, including those such as genetic mitochondrial diseases, are at higher risk of getting very sick from COVID-19. As a result, current or potential patients in our ongoing and planned clinical trials may choose to not enroll, not participate in follow-up clinical visits, or drop out of the trial as a precaution against contracting COVID-19. Further, some patients may not be able or willing to comply with clinical trial protocols if quarantines impede patient movement or interrupt healthcare services.

If patient enrollment is delayed for an extended period of time, our ongoing and planned clinical trials could be delayed or otherwise adversely affected. Similarly, our ability to recruit and retain principal investigators and site staff who, as healthcare providers, may have heightened exposure to COVID-19, may be adversely impacted.

In addition, ongoing or planned clinical trials may also be impacted by interruptions or delays in the operations of the FDA and comparable foreign regulatory agencies. For example, in certain locations, Ethics Committees' clinical protocol reviews have been delayed due to a backlog of applications requiring review. Such approvals are required to conduct studies at clinical trial sites.

In addition, we may encounter a shortage in supplies of, or in delays in shipping, our study drug or other components of the clinical trial vital for successful conduct of the trial. Further, the successful conduct of our clinical trials depends on retrieving laboratory data from patients. Any failure by the laboratories with which we work to send us such data could impair the progress of such clinical trials. For example, we have been delayed in finalizing a clinical study report for our Phase 1b clinical trial of REN001 in PMM, as a result of COVID-19 site restrictions that have prevented study monitors from our CRO from timely completing an in-person audit of trial site source documentation. While virtual monitoring visits have occurred and now monitoring visits have resumed at some trial sites, onsite visits have been limited to certain times of the month thus delaying our site close out activities. These events could delay our clinical trials, increase the cost of completing our clinical trials, and negatively impact the integrity, reliability, or robustness of the data from our clinical trials.

In addition, quarantines, shelter-in-place, and similar government orders, or the perception that such orders, shutdowns, or other restrictions on the conduct of business operations could occur, related to COVID-19 or other infectious diseases could impact personnel at our CROs or third-party manufacturing facilities upon which we rely, or the availability or cost of materials, which could disrupt the supply chain for REN001. To the extent our suppliers and service providers are unable to comply with their obligations under our agreements with them or they are otherwise unable to deliver or are delayed in delivering goods and services to us due to the COVID-19 pandemic, our ability to continue meeting clinical supply demand for REN001 or otherwise advancing development of REN001 may become impaired.

The spread of COVID-19 and actions taken to reduce its spread may also materially affect us economically. While the potential economic impact brought by, and the duration of, the COVID-19 pandemic may be difficult to assess or predict, there could be a significant disruption of global financial markets, reducing our ability to access capital, which could in the future negatively affect our liquidity and financial position. In addition, the trading prices for other companies have been highly volatile as a result of the COVID-19 pandemic. As a result, we may face difficulties raising capital through sales of our common stock or such sales may be on unfavorable terms.

COVID-19 and actions taken to reduce its spread continue to evolve. The extent to which COVID-19 may impede the development of REN001, reduce the productivity of our employees, disrupt our supply chains, delay our clinical trials, reduce our access to capital or limit our business development activities, will depend on future developments, which are highly uncertain and cannot be predicted with confidence.

In addition, to the extent the ongoing COVID-19 pandemic adversely affects our business and results of operations, it may also have the effect of heightening many of the other risks and uncertainties described in this “Risk Factors” section.

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

From time to time, we may publicly disclose interim, topline, or preliminary data from our clinical trials, including from our Phase 1b clinical trials of REN001 in patients with PMM and LC-FAOD, which is based on a preliminary analysis of then-available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. We also make assumptions, estimations, calculations, and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. As a result, the interim, topline, or preliminary results that we report may differ from future results of the same studies, or different conclusions or considerations may qualify such results, once additional data have been received and fully evaluated. Interim, topline, and preliminary data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published. As a result, such data should be viewed with caution until the final data are available. From time to time, we may also disclose interim data from our clinical trials. Interim, topline, and preliminary data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. Adverse differences between preliminary, interim, or topline data and final data could significantly harm our business prospects.

We have been delayed in finalizing a clinical study report for our Phase 1b clinical trial of REN001 in PMM, as a result of COVID-19 site restrictions that have prevented study monitors from our CRO from timely completing an in-person audit of trial site source documentation. Further, while virtual monitoring visits have occurred and now monitoring visits have resumed at some trial sites, onsite visits have been limited to certain times of the month thus delaying our site close out activities.

Further, others, including regulatory agencies, may not accept or agree with our assumptions, estimates, calculations, conclusions, or analyses or may interpret or weigh the importance of data differently, which could impact the value of the particular program, the approvability, or commercialization of the particular product candidate or product and our company in general. In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is based on what is typically extensive information, and you or others may not agree with what we determine is the material or otherwise appropriate information to include in our disclosure, and any information we determine not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular product, product candidate, or our business. If the interim, topline, or preliminary data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, REN001 and any future product candidates may be harmed, which could harm our business, operating results, prospects, or financial condition.

If the market opportunities for REN001 and any future product candidates are smaller than we believe they are, our future revenue may be adversely affected, and our business may suffer.

If the size of the market opportunities in each of our target indications for REN001 and any future product candidates is smaller than we anticipate, we may not be able to achieve profitability and growth. We focus our clinical development of REN001 on therapies for adult patients with genetic mitochondrial diseases with relatively small patient populations. Given the relatively small number of patients who have the diseases that we are targeting and intend to target with REN001, it is critical to our ability to grow and become profitable that we continue to successfully identify patients with these rare genetic mitochondrial diseases. In addition, our estimates of the patient populations for our target indications have been derived from a variety of sources, including the scientific literature, surveys of clinics, patient foundations, and market research, and may prove to be incorrect. Further, new studies may change the estimated incidence or prevalence of these diseases. The number of patients may turn out to be lower than expected. The effort to identify patients with diseases we seek to treat is in early stages, and we cannot accurately predict the number of patients for whom treatment might be possible. For example, while the path to accurately diagnose patients with primary mitochondrial diseases is well known, physician lack of awareness about McArdle disease may result in the condition being significantly under diagnosed and new patients may become increasingly difficult to identify or gain access to, which would adversely affect our results of operations and our business. In addition, the potentially addressable patient population for PMM, LC-FAOD and McArdle disease may be limited or may not be amenable to treatment with REN001, if approved. Further, even if we obtain significant market share for REN001 in PMM, LC-FAOD or McArdle disease, we may never achieve profitability despite obtaining such significant market share, as other pharmaceutical companies with more resources and greater experience in drug development and commercialization are or may be targeting this same genetic mitochondrial disease.

We may not be successful in our efforts to expand our pipeline by identifying additional indications for which to investigate REN001 in the future. We may expend our limited resources to pursue a particular indication or formulation for REN001 and fail to capitalize on product candidates, indications or formulations that may be more profitable or for which there is a greater likelihood of success.

Because we have limited financial and managerial resources, we are focused on specific indications for REN001. As a result, we may fail to generate additional clinical development opportunities for REN001 for a number of reasons, including, REN001 may in certain indications, on further study, be shown to have harmful side effects, limited to no efficacy, or other characteristics that suggest it is unlikely to receive marketing approval and achieve market acceptance in such additional indications.

While our initial focus is to advance REN001 for PMM to regulatory approval, we plan to conduct several clinical trials for REN001 in parallel over the next several years, including multiple clinical trials in PMM, LC-FAOD and McArdle disease, which may make our decision as to which additional indications to focus on more difficult. As a result, we may forgo or delay pursuit of opportunities with other indications that could have had greater commercial potential or likelihood of success. However, we may focus on or pursue one or more of our target indications over other potential indications and such development efforts may not be successful, which would cause us to delay the clinical development and approval of REN001. Furthermore, research programs to identify additional indications for REN001 require substantial technical, financial, and human resources. We may also pursue additional formulations for REN001 such as a tablet form. However, we may not successfully develop these additional formulations for chemistry-related, stability-related, or other reasons. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future research and development programs for specific indications may not yield any commercially viable products.

Additionally, we may pursue additional in-licenses or acquisitions of development-stage assets or programs, which entails additional risk to us. Identifying, selecting and acquiring promising product candidates requires substantial technical, financial, and human resources expertise. Efforts to do so may not result in the actual acquisition or license of a particular product candidate, potentially resulting in a diversion of our management's time and the expenditure of our resources with no resulting benefit. For example, if we are unable to identify programs that ultimately result in approved products, we may spend material amounts of our capital and other resources evaluating, acquiring and developing products that ultimately do not provide a return on our investment.

Obtaining and maintaining regulatory approval for a product candidate in one jurisdiction does not mean that we will be successful in obtaining regulatory approval for that product candidate in other jurisdictions.

Obtaining and maintaining regulatory approval for a product candidate in one jurisdiction does not guarantee that we will be able to obtain or maintain regulatory approval in any other jurisdiction, while a failure or delay in obtaining regulatory approval in one jurisdiction may have a negative effect on the regulatory approval process in others. For example, even if the FDA grants marketing approval for a product candidate, comparable regulatory authorities in foreign jurisdictions must also approve the manufacturing, marketing and promotion of the product candidate in those countries. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from, and greater than, those in the United States, including additional preclinical studies or clinical trials as clinical trials conducted in one jurisdiction may not be accepted by regulatory authorities in other jurisdictions. In many jurisdictions outside the United States, a product candidate must be approved for reimbursement before it can be approved for sale in that jurisdiction. In some cases, the price that we intend to charge for REN001 is also subject to approval.

We expect to submit a Marketing Authorization Application (MAA) to the EMA for approval of REN001 in the EU for the treatment of PMM and other clinical indications if data support registration. As with the FDA, obtaining approval of an MAA from the EMA is a similarly lengthy and expensive process and the EMA has its own procedures for approval for product candidates. Regulatory authorities in jurisdictions outside of the United States and the EU also have requirements for approval for product candidates with which we must comply prior to marketing in those jurisdictions. Obtaining foreign regulatory approvals and compliance with foreign regulatory requirements could result in significant delays, difficulties and costs for us and could delay or prevent the introduction of REN001 in certain countries. If we fail to comply with the regulatory requirements in international markets and/or receive applicable marketing approvals, our target market will be reduced and our ability to realize the full market potential of REN001 will be harmed, which would adversely affect our business, prospects, financial condition, and results of operations.

We currently have no marketing and sales organization. If we are unable to establish marketing and sales capabilities or enter into agreements with third parties to market and sell REN001 and any future product candidates, we may not be able to generate product revenues.

We currently do not have a commercial organization for the marketing, sales, and distribution of pharmaceutical products. To commercialize REN001 and any future product candidates, we must build our marketing, sales, distribution, managerial and other non-technical capabilities or make arrangements with third parties to perform these services. We intend to build a highly specialized commercial organization to support the commercialization of REN001, if approved, in the United States and Europe.

The establishment and development of our own sales force or the establishment of a contract sales force to market REN001 and any future product candidates will be expensive and time-consuming and could delay any commercial launch. Moreover, we may not be able to successfully develop this capability. We will have to compete with other pharmaceutical and biotechnology companies to recruit, hire, train, and retain marketing and sales personnel. We also face competition in our search for third parties to assist us with the sales and marketing efforts of REN001. To the extent we rely on third parties to commercialize REN001, if approved, we may have little or no control over the marketing and sales efforts of such third parties and our revenues from product sales may be lower than if we had commercialized REN001 and any future product candidates ourselves. In the event we are unable to develop our own marketing and sales force or collaborate with a third-party marketing and sales organization, we would not be able to commercialize REN001 or any future product candidates.

If we receive regulatory approval for REN001 and any future product candidates, we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with any product.

Any regulatory approvals that we receive may be subject to limitations on the approved indicated uses for which the product may be marketed or to the conditions of approval, or contain requirements for potentially costly post-marketing testing, including post-market studies or clinical trials, and surveillance to monitor safety and effectiveness. The FDA may also require us to adopt a REMS to ensure that the benefits of treatment with such

product candidate outweigh the risks for each potential patient, which may include, among other things, a communication plan to health care practitioners, patient education, extensive patient monitoring, or distribution systems and processes that are highly controlled, restrictive and more costly than what is typical for the industry. We or our collaborators may also be required to adopt a REMS or engage in similar actions, such as patient education, certification of health care professionals, or specific monitoring, if we or others later identify undesirable side effects caused by any product that we develop alone or with collaborators.

In addition, if the FDA or a comparable foreign regulatory authority approves a product candidate, the manufacturing, quality control, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion, import, export, and recordkeeping for the approved product will be subject to extensive and ongoing regulatory requirements. The FDA also requires submissions of safety and other post-marketing information and reports, registration, as well as continued compliance with cGMP requirements and GCP for any clinical trials that we conduct post-approval. Later discovery of previously unknown problems with a product candidate, including adverse events of unanticipated severity or frequency, or with our third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in, among other things:

- issue warning letters or untitled letters;
- mandate modifications to promotional materials or require us to provide corrective information to healthcare practitioners, or require other restrictions on the labeling or marketing of such products;
- require us to enter into a consent decree, which can include imposition of various fines, reimbursements for inspection costs, required due dates for specific actions and penalties for noncompliance;
- seek an injunction or impose civil or criminal penalties or monetary fines;
- suspend, withdraw or modify regulatory approval;
- suspend or modify any ongoing clinical trials;
- refuse to approve pending applications or supplements to applications filed by us;
- suspend or impose restrictions on operations, including costly new manufacturing requirements; or
- seize or detain products, refuse to permit the import or export of products, or require us to initiate a product recall.

The occurrence of any event or penalty described above may inhibit our ability to commercialize REN001 and any future product candidates and generate revenue and could require us to expend significant time and resources in response and could generate negative publicity.

Advertising and promotion of any product candidate that obtains approval in the United States will be heavily scrutinized by the FDA, the U.S. Federal Trade Commission, the Department of Justice (the DOJ) the Office of Inspector General of the U.S. Department of Health and Human Services (HHS) state attorneys general, members of the U.S. Congress, and the public. Additionally, advertising and promotion of any product candidate that obtains approval outside of the United States will be heavily scrutinized by comparable foreign entities and stakeholders. Violations, including actual or alleged promotion of our products for unapproved or off-label uses, are subject to enforcement letters, inquiries, and investigations, and civil and criminal sanctions by the FDA, DOJ, or comparable foreign bodies. Any actual or alleged failure to comply with labeling and promotion requirements may result in fines, warning letters, mandates to corrective information to healthcare practitioners, injunctions, or civil or criminal penalties.

The FDA's and other regulatory authorities' policies may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval for REN001 and any future product candidates. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained and we may not achieve or sustain profitability, which would adversely affect our business, prospects, financial condition, and results of operations.

Disruptions at FDA and other government agencies caused by funding shortages or global health concerns could hinder their ability to hire and retain key leadership and other personnel, or otherwise prevent new products and services from being developed or commercialized in a timely manner, which could negatively impact our business.

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

Disruptions at the FDA and other agencies may also slow the time necessary for new drugs to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. For example, over the last several years, including for 35 days beginning on December 22, 2018, the U.S. government has shut down several times and certain regulatory agencies, such as the FDA, have had to furlough critical FDA employees and stop critical activities. If a prolonged government shutdown occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

Separately, in response to the global COVID-19 pandemic, on March 10, 2020, the FDA announced its intention to postpone most foreign and domestic manufacturing facility inspections and in July 2020, resumed routine surveillance inspections of domestic manufacturing facilities subject to a risk-based prioritization system. The FDA intends to use this risk-based assessment system to identify the categories of regulatory activity that can occur within a given geographic area, ranging from mission critical inspections to resumption of all regulatory activities. Regulatory authorities outside the United States have adopted similar restrictions and other policy measures in response to the COVID-19 pandemic. If a prolonged government shutdown occurs, or if global health concerns continue to prevent the FDA or other regulatory authorities from conducting their regular inspections, reviews, or other regulatory activities, it could significantly impact the ability of the FDA or other regulatory authorities to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

Even if we obtain regulatory approval for REN001 and any future product candidates, REN001 and any future product candidates may not gain market acceptance among physicians, patients, healthcare payors and others in the medical community.

REN001 and any future product candidates may not be commercially successful. The commercial success of REN001 or any future product candidates, if approved, will depend significantly on the broad adoption and use of such product by physicians and patients for approved indications. The degree of market acceptance of REN001 or any future products, if approved, will depend on a number of factors, including:

- the clinical indications for which such product candidate is approved;
- physicians and patients considering the product as a safe and effective treatment;
- the potential and perceived advantages of the product over alternative treatments;
- the prevalence and severity of any side effects;
- product labeling or product insert requirements of the FDA or other regulatory authorities;
- limitations or warnings contained in the labeling approved by the FDA or other regulatory authorities;
- the timing of market introduction of the product as well as competitive products;
- the cost of treatment in relation to alternative treatments;
- the availability of coverage and adequate reimbursement by third-party payors and government authorities;
- the willingness of patients to pay out-of-pocket in the absence of coverage and adequate reimbursement by third-party payors and government authorities;
- relative convenience and ease of administration, including as compared to alternative treatments and competitive therapies; and
- the effectiveness of our sales and marketing efforts and those of any collaboration or distribution partner on whom we rely for sales in foreign jurisdictions.

If REN001 and any future product candidate is approved but fails to achieve market acceptance among physicians, patients, healthcare payors or others in the medical community, we will not be able to generate significant revenues, which would have a material adverse effect on our business, prospects, financial condition, and results of operations. In addition, even if REN001 and any future product candidate gains acceptance, the markets for the treatment of patients with our target indications may not be as significant as we estimate.

If REN001 and any future product candidate is approved for marketing, and we are found to have improperly promoted off-label uses, we may become subject to prohibitions on the sale or marketing of REN001 and any future product candidates, significant fines, penalties, sanctions, or product liability claims, and our image and reputation within the industry and marketplace could be harmed.

The FDA, DOJ, and comparable foreign authorities strictly regulate the marketing and promotional claims that are made about pharmaceutical products, such as REN001, if approved. In particular, a product may not be promoted for uses or indications that are not approved by the FDA or comparable foreign authorities as reflected in the product's approved labeling. However, if we receive marketing approval for REN001 and any future product candidates, physicians can prescribe such product to their patients in a manner that is inconsistent with the approved label in their independent professional judgment. If we are found to have promoted such off-label uses, we may receive warning letters from the FDA and comparable foreign authorities and become subject to significant liability, which would materially harm our business. The federal government has levied large civil and criminal fines against companies for alleged improper promotion and has enjoined several companies from engaging in off-label promotion. If we become the target of such an investigation or prosecution based on our marketing and promotional practices, we could face similar sanctions, which would materially harm our business. In addition, management's attention could be diverted from our business operations, significant legal expenses could be incurred, and our reputation could be damaged. The FDA and other governmental authorities have also required that companies enter into consent decrees or imposed permanent injunctions under which specified promotional conduct is changed or curtailed in order to resolve enforcement actions. If we are deemed by the FDA, DOJ, or other governmental authorities to have engaged in the promotion of REN001 or any future product candidate for off-label use, we could be subject to certain prohibitions or other restrictions on the sale or marketing and other operations or significant fines and penalties, and the imposition of these sanctions could also affect our reputation and position within the industry.

Coverage and reimbursement may be limited or unavailable in certain market segments for REN001 and any future product candidates, which could make it difficult for us to sell REN001 and any future product candidates profitably.

Successful sales of REN001 and any future product candidates, if approved, depend on the availability of coverage and adequate reimbursement from third-party payors. Patients who are prescribed medicine for the treatment of their conditions generally rely on third-party payors to reimburse all or part of the costs associated with their prescription drugs. Coverage and adequate reimbursement from governmental healthcare programs, such as Medicare and Medicaid, and commercial payors is critical to new product acceptance, and we may not obtain such coverage or adequate reimbursement. Moreover, we focus our clinical development of REN001 on therapies for patients with genetic mitochondrial diseases with relatively small patient populations. As a result, we must rely on obtaining appropriate coverage and reimbursement for these populations.

Government authorities and third-party payors, such as private health insurers and health maintenance organizations, decide which drugs they will cover and the amount of reimbursement they will provide. Reimbursement by a third-party payor may depend upon a number of factors, including, but not limited to, the third-party payor's determination that use of a product is:

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

Obtaining coverage and reimbursement approval for a product from a government or other third-party payor is a time-consuming and costly process that could require us to provide to the payor supporting scientific, clinical and cost-effectiveness data for the use of our products. We may not be able to provide data sufficient to obtain coverage and adequate reimbursement. Assuming we obtain coverage for a given product, the resulting reimbursement payment rates might not be adequate or may require co-payments that patients find unacceptably high. Patients are unlikely to use REN001 or any future product candidate unless coverage is provided and reimbursement is adequate to cover a significant portion of the cost. Additionally, the reimbursement rates and coverage amounts may be affected by the approved label for REN001 or any future product candidate. If coverage and reimbursement of our future products are unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, we may be unable to achieve or sustain profitability.

In addition, the market for REN001 and any future product candidates will depend significantly on access to third-party payors' drug formularies or lists of medications for which third-party payors provide coverage and reimbursement. The industry competition to be included in such formularies often leads to downward pricing pressures on pharmaceutical companies. Also, third-party payors may refuse to include a particular branded drug in their formularies or otherwise restrict patient access through formulary controls or otherwise to a branded drug when a less costly generic equivalent or other alternative is available.

In the United States, no uniform policy of coverage and reimbursement for drug products exists among third-party payors. Third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement rates, but also have their own methods and approval process apart from Medicare determinations. Therefore, coverage and reimbursement for drug products can differ significantly from payor to payor. As a result, the coverage determination process is often a time-consuming and costly process that will require us to provide scientific and clinical support for the use of REN001 and any future product candidates to each payor separately, with no assurance that coverage and adequate reimbursement will be obtained.

We intend to seek approval to market REN001 in the United States and in selected foreign jurisdictions. If we obtain approval in one or more foreign jurisdictions for REN001, we will be subject to rules and regulations in those jurisdictions. In some foreign countries, particularly those in the EU, the pricing of prescription pharmaceuticals and biologics is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after obtaining marketing approval for a drug candidate. In addition, market acceptance and sales of a product will depend significantly on the availability of coverage and adequate reimbursement from third-party payors for a product and may be affected by existing and future health care reform measures.

Recently enacted legislation, future legislation and healthcare reform measures may increase the difficulty and cost for us to obtain marketing approval for and commercialize REN001 and any future product candidates and may affect the prices we may set.

In the United States and some foreign jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes to the healthcare system, including cost-containment measures that may reduce or limit coverage and reimbursement for newly approved drugs and affect our ability to profitably sell any product candidates for which we obtain marketing approval. In particular, there have been and continue to be a number of initiatives at the U.S. federal and state levels that seek to reduce healthcare costs and improve the quality of healthcare.

For example, in March 2010, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act (collectively, the Affordable Care Act) was enacted in the United States. Among the provisions of the Affordable Care Act of importance to our potential product candidates, the Affordable Care Act: established an annual, nondeductible fee on any entity that manufactures or imports specified branded prescription drugs and biologic agents; expands eligibility criteria for Medicaid programs; increased the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program; created a new Medicare Part D coverage gap discount program; established a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in and conduct comparative clinical effectiveness research, along with funding for such research; and established a Center for Medicare and Medicaid Innovation at the Centers for Medicare & Medicaid Services (CMS) to test innovative payment and service delivery models to lower Medicare and Medicaid spending.

There have been judicial, executive and Congressional challenges to certain aspects of the Affordable Care Act. By way of example, legislation enacted in 2017, informally titled the Tax Cuts and Jobs Act of 2017 (the Tax Act), included a provision that repealed, effective January 1, 2019, the tax-based shared responsibility payment imposed by the Affordable Care Act on certain individuals who fail to maintain qualifying health coverage for all or part of a year that is commonly referred to as the "individual mandate." On December 14, 2018, a Texas U.S. District Court Judge ruled that the Affordable Care Act is unconstitutional in its entirety because the "individual mandate" was repealed by Congress as part of the Tax Act. Additionally, on December 18, 2019, the U.S. Court of Appeals for the 5th Circuit ruled that that the individual mandate was unconstitutional and remanded the case back to the District Court to determine whether the remaining provisions of the Affordable Care Act are invalid as well. The United States Supreme Court is currently reviewing this case, but it is unclear when or how the Supreme Court will rule. Although the U.S. Supreme Court has yet ruled on the constitutionality of the Affordable Care Act, on January 28, 2021, President Biden issued an executive order to initiate a special enrollment period from February 15, 2021 through May 15, 2021 for purposes of obtaining health insurance coverage through the Affordable Care Act marketplace. The executive order also instructs certain governmental agencies to review and reconsider their existing policies and rules that limit access to healthcare, including among others, reexamining Medicaid demonstration projects and waiver programs that include work requirements, and policies that create unnecessary barriers to obtaining access to health insurance coverage through Medicaid or the Affordable Care Act. It is also unclear how the Supreme Court ruling, other such litigation, and the healthcare reform measures of the Biden administration will impact the Affordable Care Act or our business.

In addition, other legislative changes have been proposed and adopted since the Affordable Care Act was enacted. On August 2, 2011, the Budget Control Act of 2011 was signed into law, which, among other things, included reductions to Medicare payments to providers of 2% per fiscal year, which went into effect on April 1, 2013 and, due to subsequent legislative amendments to the statute, will remain in effect through 2030, with the exception of a temporary suspension from May 1, 2020 through March 31, 2021, unless additional Congressional action is taken. In addition, on January 2, 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, reduced Medicare payments to several providers, including hospitals, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

Further, there has been heightened governmental scrutiny in the United States of pharmaceutical pricing practices in light of the rising cost of prescription drugs. Such scrutiny has resulted in several recent congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for products.

At the federal level, on July 24, 2020 and September 13, 2020, the Trump administration announced several executive orders related to drug pricing in an effort to implement several of the administration's proposals. As a result, the FDA released a final rule on September 24, 2020, effective November 30, 2020, providing guidance for states to build and submit importation plans for drugs from Canada. Further, on November 20, 2020, HHS finalized a regulation removing safe harbor protection for price reductions from pharmaceutical manufacturers to plan sponsors under Part D, either directly or through pharmacy benefit managers, unless the price reduction is required by law. The implementation of the rule has been delayed by the Biden Administration from January 1, 2022 to January 1, 2023 in response to ongoing litigation. The rule also creates a new safe harbor for price reductions reflected at the point-of-sale, as well as a safe harbor for certain fixed fee arrangements between pharmacy benefit managers and manufacturers, the implementation of which have also been delayed pending review by the Biden Administration until March 22, 2021. On November 20, 2020, CMS issued an interim final rule implementing President Trump's Most Favored Nation executive order, which would tie Medicare Part B payments for certain physician-administered drugs to the lowest price paid in other economically advanced countries, effective January 1, 2021. On December 28, 2020, the United States District Court in Northern California issued a nationwide preliminary injunction against implementation of the interim final rule. It is unclear whether the Biden administration will work to reverse these measures or pursue similar policy initiatives.

At the state level, individual states in the United States have also increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or patient

reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. Legally mandated price controls on payment amounts by third-party payors or other restrictions could harm our business, results of operations, financial condition, and prospects. In addition, regional healthcare authorities and individual hospitals are increasingly using bidding procedures to determine what pharmaceutical products and which suppliers will be included in their prescription drug and other healthcare programs. This could reduce the ultimate demand for REN001, if approved, or put pressure on our product pricing, which could negatively affect our business, results of operations, financial condition, and prospects.

We cannot predict the likelihood, nature, or extent of health reform initiatives that may arise from future legislation or administrative action, particularly as a result of the new presidential administration. We expect that the Affordable Care Act and other healthcare reform measures, including those that may be adopted in the future may result in additional reductions in Medicare and other healthcare funding, more rigorous coverage criteria, new payment methodologies and additional downward pressure on the price that we receive for any approved product. In addition, it is possible that additional governmental action will be taken in response to the COVID-19 pandemic. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from third-party payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability or commercialize REN001, if approved.

A variety of risks associated with marketing REN001 and any future product candidates internationally could materially adversely affect our business.

We plan to seek regulatory approval for REN001 and any future product candidates internationally and, accordingly, we expect that we will be subject to additional risks related to operating in foreign countries if we obtain the necessary approvals, including:

- differing regulatory requirements in foreign countries, including differing reimbursement, pricing and insurance regimes, including as a result of Brexit;
- the potential for so-called parallel importing, which is what happens when a local seller, faced with high or higher local prices, opts to import goods from a foreign market (with low or lower prices) rather than buying them locally;
- unexpected changes in tariffs, trade barriers, price and exchange controls, and other regulatory requirements;
- economic weakness, including inflation, or political instability in particular foreign economies and markets;
- compliance with tax, employment, immigration, and labor laws for employees living or traveling internationally;
- foreign taxes, including withholding of payroll taxes;
- foreign currency fluctuations, which could result in increased operating expenses and reduced revenues, and other obligations incident to doing business in another country;
- difficulties staffing and managing foreign operations;
- workforce uncertainty in countries where labor unrest is more common than in the United States;
- potential liability under the U.S. Foreign Corrupt Practices Act of 1977 (FCPA) or comparable foreign regulations;
- challenges enforcing our contractual and intellectual property rights, especially in those foreign countries that do not respect and protect intellectual property rights to the same extent as the United States;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities internationally; and
- business interruptions resulting from geo-political actions, including war and terrorism.

These and other risks associated with our international operations may materially adversely affect our ability to attain or maintain profitable operations.

If we fail to develop and commercialize additional product candidates, we may be unable to grow our business.

We may seek to in-license or acquire development-stage product candidates that have the potential to complement our existing portfolio. If we decide to pursue the development and commercialization of any additional product candidates, we may be required to invest significant resources to acquire or in-license the rights to such product candidates or to conduct drug discovery activities. We do not currently have the necessary drug discovery personnel or expertise adequate to discover and develop an additional product candidate on our own. Any other product candidates will require additional, time-consuming development efforts, and significant financial resources, prior to commercial sale, including preclinical studies, extensive clinical trials, and approval by the FDA and applicable foreign regulatory authorities. All product candidates are prone to the risks of failure that are inherent in pharmaceutical product development, including the possibility that the product candidate will not be shown to be sufficiently safe and/or effective for approval by regulatory authorities. In addition, we may not be able to acquire, discover, or develop any additional product candidates, and any additional product candidates we may develop may not be approved, manufactured, or produced economically, successfully commercialized or widely accepted in the marketplace, or be more effective than other commercially available alternatives. Research programs to identify new product candidates require substantial technical, financial, and human resources whether or not we ultimately identify any candidates. If we are unable to develop or commercialize any other product candidates, our business and prospects will suffer.

We face significant competition from other biotechnology and pharmaceutical companies, and our operating results will suffer if we fail to compete effectively.

The pharmaceutical industry is characterized by intense competition and rapid innovation. Although we believe that we hold a leading position in our focus on rare genetic mitochondrial diseases, our competitors may be able to develop other compounds or drugs that are able to achieve similar or better results. Our potential competitors include major multinational pharmaceutical companies, established biotechnology companies, specialty pharmaceutical companies and universities and other research institutions. Many of our competitors have substantially greater financial, technical and other resources, such as larger research and development staff and experienced marketing and manufacturing organizations and well-established sales forces. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large, established companies. Mergers and acquisitions in the biotechnology and pharmaceutical industries may result in even more resources being concentrated in our competitors. Competition may increase further as a result of advances in the commercial applicability of technologies and greater availability of capital for investment in these industries. Our competitors may succeed in developing, acquiring or licensing on an exclusive basis drug products that are more effective or less costly than REN001. We believe the key competitive factors that will affect the development and commercial success of REN001 are efficacy, safety and tolerability profile, reliability, convenience of dosing, price and reimbursement.

There are no approved therapies indicated for the treatment of PMM in any country. Physicians attempt to treat symptoms in patients with drugs or vitamins and supplements. For example, anti-convulsant drugs are used to prevent or control seizures. Astellas is also developing a PPARd agonist for PMM and has announced that it is initiating a Phase 2/3 trial in the first quarter of 2021. Other companies are developing therapies for mitochondrial diseases, including Abliva AB, Cyclerion Therapeutics, Inc. and Khondrion B.V.

There is one product approved in the United States for LC-FAOD. In June 2020, a new form of medium chain triglyceride (MCT) oil called Dojolvi (triheptanoin) was approved and indicated in the United States as a source of calories for LC-FAOD patients. However, Dojolvi has not demonstrated clear functional benefits on endurance in clinical trials. There are no approved therapies indicated for the treatment of McArdle disease in any country. We are not aware of any drug interventional studies underway or currently announced for LC-FAOD or for McArdle disease.

Our commercial potential could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient, or are less expensive than products that we may develop. Our competitors also may obtain FDA or other regulatory approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market or make our development more complicated. We believe the key competitive factors affecting the success of REN001 are likely to be efficacy, safety, and convenience.

Even though we have obtained orphan drug designation for REN001 for the treatment of PMM and LC-FAOD in the United States and LCHAD and MELAS in the EU, we may not be able to obtain or maintain the benefits associated with orphan drug status, including market exclusivity.

Regulatory authorities in some jurisdictions, including the United States and the EU, may designate drugs for relatively small patient populations as orphan drugs. Under the Orphan Drug Act, the FDA may designate a drug as an orphan drug if it is intended to treat a rare disease or condition, which is generally defined as a patient population of fewer than 200,000 people in the United States, or a patient population of greater than 200,000 people in the United States, but for which there is no reasonable expectation that the cost of developing the drug will be recovered from sales in the United States. In the EU, the EMA Committee for Orphan Medicinal Products grants orphan drug designation to promote the development of products that are intended for the diagnosis, prevention or treatment of a life-threatening or chronically debilitating condition affecting not more than five in 10,000 people in the EU.

Generally, if a drug with an orphan drug designation subsequently receives the first marketing approval for the indication for which it has such designation, the drug may be entitled to a period of marketing exclusivity, which precludes the FDA or the EMA from approving another marketing application for the same drug for the same drug indication for that time period. Another drug may receive marketing approval prior to REN001. The applicable period is seven years in the United States and ten years in the EU, which may be extended by six months and two years, respectively, in the case of product candidates that have complied with the respective regulatory agency's agreed upon pediatric investigation plan. The exclusivity period in the EU can be reduced to six years if a drug no longer meets the criteria for orphan drug designation or if the drug is sufficiently profitable so that market exclusivity is no longer justified. Orphan drug exclusivity may be lost if the FDA or EMA determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantity of the drug to meet the needs of patients with the rare disease or condition. In addition, even after a drug is granted orphan exclusivity and approved, the FDA and the EMA can subsequently approve another drug for the same condition before the expiration of the seven-year (or ten-year in the EU) exclusivity period if the FDA or EMA concludes that the later drug is clinically superior in that it is shown to be safer, more effective or makes a major contribution to patient care. In the EU, the EMA may deny marketing approval for a product candidate if it determines such product candidate is structurally similar to an approved product for the same indication. In addition, if an orphan designated product receives marketing approval for an indication broader than or different from what is designated, such product may not be entitled to orphan exclusivity. Even though the FDA has granted orphan drug designation to REN001 for the treatment of PMM and LC-FAOD in the United States and long chain acyl-CoA dehydrogenase (LCHAD) and mitochondrial encephalomyopathy, lactic acidosis, and neurological stroke-like episodes (MELAS) in the EU, if we receive approval for REN001 for a modified or different indication, our current orphan designations may not provide us with exclusivity.

Orphan drug designation does not convey any advantage in, or shorten the duration of, the regulatory review or approval process. Also, regulatory approval for any product candidate may be withdrawn, and other product candidates may obtain approval before us and receive orphan drug exclusivity, which could block us from entering the market.

Even if we obtain orphan drug exclusivity for REN001, that exclusivity may not effectively protect us from competition because different drugs can be approved for the same condition before the expiration of the orphan drug exclusivity period.

We may form or seek strategic alliances or enter into additional licensing arrangements in the future, and we may not realize the benefits of such alliances or licensing arrangements.

We may form or seek strategic alliances, create joint ventures or collaborations or enter into additional licensing arrangements with third parties that we believe will complement or augment our development and commercialization efforts with respect to REN001 and any future product candidates that we may develop. We intend to establish commercial partnerships outside of the United States and key European markets. Any of these relationships may require us to incur non-recurring and other charges, increase our near-and long-term expenditures, issue securities that dilute our existing stockholders, or disrupt our management and business. In addition, we face significant competition in seeking appropriate strategic partners and the negotiation process is time-consuming and complex. If

we license products or businesses, we may not be able to realize the benefit of such transactions if we are unable to successfully integrate them with our existing operations and company culture. Following a strategic transaction or license, we may not achieve the revenues or cash flows that justifies such transaction. Any delays in entering into new strategic partnership agreements related to REN001 could delay the development and commercialization of REN001 in certain geographies for certain indications, which would harm our business prospects, financial condition, and results of operations.

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

Our ability to compete in the highly competitive biotechnology and pharmaceuticals industries depends upon our ability to attract and retain highly qualified managerial, scientific, and medical personnel. We are highly dependent on our management, scientific, and medical personnel. The loss of the services of any of our executive officers or other key employees and our inability to find suitable replacements could potentially harm our business, prospects, financial condition or results of operations.

We conduct our operations in San Diego, California and Sandwich, United Kingdom. These regions serve as the headquarters to many other pharmaceutical companies and academic and research institutions. Competition for skilled personnel in our market is intense and may limit our ability to hire and retain highly qualified personnel on acceptable terms or at all.

To induce valuable employees to remain at our company, in addition to salary and cash incentives, we have provided stock options that vest over time. The value to employees of stock options that vest over time may be significantly affected by movements in our stock price that are beyond our control and may at any time be insufficient to counteract more lucrative offers from other companies. Despite our efforts to retain valuable employees, members of our management, scientific, and development teams may terminate their employment with us on short notice. Although we have employment agreements and/or offer letters with our key employees, these arrangements provide for at-will employment, which means that any of our employees could leave our employment at any time, with or without notice. We do not maintain “key man” insurance policies on the lives of these individuals or the lives of any of our other employees. Our success also depends on our ability to continue to attract, retain and motivate highly skilled junior, mid-level, and senior managers as well as junior, mid-level, and senior scientific and medical personnel.

Many of the other biotechnology and pharmaceutical companies that we compete against for qualified personnel have greater financial and other resources, different risk profiles, and a longer history in the industry than we do. They may also provide more diverse opportunities and better chances for career advancement. Some of these characteristics are more appealing to high quality candidates than what we can offer. If we are unable to continue to attract and retain high quality personnel, the rate and success at which we can discover, develop and commercialize product candidates will be limited.

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

As of December 31, 2020, we had 23 employees, 12 of whom are full-time. As our development and commercialization plans and strategies develop, and as we transition into operating as a public company, we expect to need additional development, managerial, operational, financial, sales, marketing, and other personnel. Future growth would impose significant added responsibilities on members of management, including:

- identifying, recruiting, integrating, maintaining, and motivating additional employees;
- managing our internal development efforts effectively, including the clinical and regulatory review process for REN001 and any future product candidates, while complying with our contractual obligations to contractors and other third parties; and
- improving our operational, financial and management controls, reporting systems and procedures.

Our future financial performance and our ability to commercialize REN001 will depend, in part, on our ability to effectively manage any future growth, and our management may also have to divert a disproportionate amount of its attention away from day-to-day activities in order to devote a substantial amount of time to managing these growth

activities. To date, we have used the services of outside vendors to perform tasks including clinical trial management, manufacturing, statistics and analysis, regulatory affairs, formulation development, and other drug development functions. Our growth strategy may also entail expanding our group of contractors or consultants to implement these tasks going forward. Because we rely on numerous consultants, effectively outsourcing many key functions of our business, we will need to be able to effectively manage these consultants to ensure that they successfully carry out their contractual obligations and meet expected deadlines. However, if we are unable to effectively manage our outsourced activities or if the quality or accuracy of the services provided by consultants is compromised for any reason, our clinical trials may be extended, delayed, or terminated, and we may not be able to obtain regulatory approval for REN001 and any future product candidates or otherwise advance our business. We may not be able to manage our existing consultants or find other competent outside contractors and consultants on economically reasonable terms, or at all. If we are not able to effectively expand our organization by hiring new employees and expanding our groups of consultants and contractors, we may not be able to successfully implement the tasks necessary to further develop and commercialize REN001 and any future product candidates and, accordingly, may not achieve our research, development and commercialization goals.

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

We are exposed to the risk that employees, independent contractors, principal investigators, CROs, consultants, and vendors may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to us that violates: (i) the rules of the FDA and other similar foreign regulatory bodies, including those rules that require the reporting of true, complete, and accurate information to the FDA and other similar foreign regulatory bodies; (ii) manufacturing standards; (iii) healthcare fraud and abuse laws in the United States and similar foreign fraudulent misconduct laws or (iv) laws that require the true, complete, and accurate reporting of our financial information or data. These laws may impact, among other things, our current activities with principal investigators and research subjects, as well as proposed and future sales, marketing, and education programs. In particular, the promotion, sales, and marketing of healthcare items and services, as well as certain business arrangements in the healthcare industry, are subject to extensive laws designed to prevent fraud, kickbacks, self-dealing, and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, structuring and commission(s), certain customer incentive programs, and other business arrangements generally. Activities subject to these laws also involve the improper use of information obtained in the course of patient recruitment for clinical trials.

If we obtain regulatory approval for REN001 and begin commercializing those products in the United States and in Europe, our potential exposure under such laws will increase significantly, and our costs associated with compliance with such laws are also likely to increase. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant civil, criminal and administrative penalties, damages, disgorgement, monetary fines, imprisonment, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, additional reporting requirements and/or oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of our operations.

Our relationships with customers, healthcare providers, and third-party payors may be subject, directly or indirectly, to federal and state healthcare fraud and abuse laws, false claims laws, and other healthcare laws and regulations. If we or our employees, independent contractors, consultants, commercial partners, or vendors violate these laws, we could face substantial penalties.

Our relationships with customers, healthcare providers, and third-party payors may be subject, directly or indirectly, to federal and state healthcare fraud and abuse laws, false claims laws, and other healthcare laws and regulations. These laws may impact, among other things, our clinical research program, as well as our proposed and future sales, marketing, and education programs. In particular, the promotion, sales and marketing of healthcare items and services is subject to extensive laws and regulations designed to prevent fraud, kickbacks, self-dealing, and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing

and promotion, sales commission, customer incentive, and other business arrangements. The U.S. healthcare laws and regulations that may affect our ability to operate include, but are not limited to:

- the federal Anti-Kickback Statute, which prohibits, among other things, any person or entity from knowingly and willfully, offering, paying, soliciting or receiving any remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce, or in return for, the purchasing, leasing, ordering or arranging for the purchase, lease, or order of any item or service reimbursable under Medicare, Medicaid or other federal healthcare programs. The term "remuneration" has been broadly interpreted to include anything of value. Although there are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution, the exceptions and safe harbors are drawn narrowly. Practices that may be alleged to be intended to induce prescribing, purchases or recommendations, include any payments of more than fair market value, and may be subject to scrutiny if they do not qualify for an exception or safe harbor. In addition, a person or entity does not need to have actual knowledge of this statute or specific intent to violate it in order to have committed a violation;
- federal civil and criminal false claims laws, including the federal civil False Claims Act, and civil monetary penalty laws, which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment or approval from Medicare, Medicaid, or other federal government programs that are false or fraudulent or knowingly making a false statement to improperly avoid, decrease or conceal an obligation to pay money to the federal government, including federal healthcare programs. In addition, the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal civil False Claims Act and the civil monetary penalties statute;
- the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) which created new federal civil and criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, including private third-party payors and knowingly and willfully falsifying, concealing or covering up by any trick, scheme or device, a material fact or making any materially false, fictitious or fraudulent statements in connection with the delivery of, or payment for, healthcare benefits, items or services. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation; and
- the federal Physician Payments Sunshine Act, which requires certain manufacturers of drugs, devices, biologicals and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) to report annually to CMS information related to payments or other transfers of value made to physicians, (defined to include doctors, dentists, optometrists, podiatrists and chiropractors) and teaching hospitals, as well as ownership and investment interests held by such physicians and their immediate family members. Beginning in 2022, such obligations will include payments and other transfers of value provided in the previous year to certain other healthcare professionals, including physician assistants, nurse practitioners, clinical nurse specialists, anesthesiologist assistants, certified nurse anesthetists, and certified nurse-midwives.

We may also be subject to state and foreign equivalents of each of the healthcare laws described above, among others, some of which may be broader in scope. For example, we may be subject to the following: state anti-kickback and false claims laws that may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third party payors, including private insurers, or that apply regardless of payor; state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government; state laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers, marketing expenditures, or drug pricing; and state and local laws requiring the registration of pharmaceutical sales and medical representatives.

Additionally, we may be subject to federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers.

Because of the breadth of these laws and the narrowness of the statutory exceptions and regulatory safe harbors available, it is possible that some of our business activities, or our arrangements with physicians, could be subject to challenge under one or more of such laws. It is not always possible to identify and deter employee misconduct or business noncompliance, and the precautions we take to detect and prevent inappropriate conduct may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. Efforts to ensure that our business arrangements will comply with applicable healthcare laws may involve substantial costs. It is possible that governmental and enforcement authorities will conclude that our business practices may not comply with current or future statutes, regulations or case law interpreting applicable fraud and abuse or other healthcare laws and regulations. If we or our employees, independent contractors, consultants, commercial partners and vendors violate these laws, we may be subject to investigations, enforcement actions and/or significant penalties, including the imposition of significant civil, criminal and administrative penalties, damages, disgorgement, monetary fines, imprisonment, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, additional reporting requirements and/or oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, and curtailment of our operations, any of which could adversely affect our ability to operate our business and our results of operations. In addition, the approval and commercialization of REN001 outside the United States will also likely subject us to foreign equivalents of the healthcare laws mentioned above, among other foreign laws.

Failure to comply with data protection laws and regulations could lead to government enforcement actions (which could include civil or criminal penalties), private litigation, and/or adverse publicity and could negatively affect our operating results and business.

We and our partners may be subject to federal, state, and foreign data protection laws and regulations (i.e., laws and regulations that address privacy and data security). In the United States, numerous federal and state laws and regulations, including state data breach notification laws, state health information privacy laws, and federal and state consumer protection laws and regulations that govern the collection, use, disclosure, and protection of health-related and other personal information could apply to our operations or the operations of our partners. In addition, we may obtain health information from third parties that are subject to privacy and security requirements under HIPAA. HIPAA, as amended by HITECH, and its implementing regulations, impose requirements relating to the privacy, security and transmission of individually identifiable health information on certain health care providers, health plans and health care clearinghouses, known as covered entities and their business associates that perform certain services that involve creating, receiving, maintaining or transmitting individually identifiable health information for or on behalf of such covered entities as well as their covered subcontractors. Depending on the facts and circumstances, we could be subject to penalties if we violate HIPAA.

Even when HIPAA does not apply, according to the Federal Trade Commission (the FTC) failing to take appropriate steps to keep consumers' personal information secure may constitute unfair acts or practices in or affecting commerce in violation of the Federal Trade Commission Act. The FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. Individually identifiable health information is considered sensitive data that merits stronger safeguards.

In addition to, California recently enacted the California Consumer Privacy Act (CCPA) which creates new individual privacy rights for California consumers (as defined in the law) and places increased privacy and security obligations on entities handling certain personal data of consumers or households. The CCPA requires covered companies to provide new disclosure to consumers about such companies' data collection, use and sharing practices, provide such consumers new ways to opt-out of certain sales or transfers of personal information, and provide consumers with additional causes of action. The CCPA became effective January 1, 2020, and the California Attorney General may bring enforcement actions for violations beginning July 1, 2020. The CCPA has been amended from time to time, and it remains unclear what, if any, further modifications will be made to this legislation or how it will be interpreted. As currently written, the CCPA may impact our business activities and exemplifies the vulnerability of our business to the evolving regulatory environment related to personal data and protected health information.

Foreign data protection laws, including the GDPR, which became effective across the European Economic Area (EEA) in May 2018, may also apply to our processing of health-related and other personal data regardless of where the processing in question is carried out. The GDPR applies to any processing relating to the offering of goods or services to individuals in the EEA and/or the monitoring of their behavior in the EEA. Also, notwithstanding the UK's withdrawal from the EU, by operation of the so-called UK GDPR, the GDPR continues to apply in substantially equivalent form in the context of the UK, UK establishments and UK-focused processing operations—so, when we refer to the GDPR in this section, we are also making reference to the UK GDPR in the context of the UK, unless the context requires otherwise.

The GDPR also provides that EU and EEA Member States may make their own further laws and regulations to introduce specific requirements related to the processing of "special categories of personal data", including personal data related to health, biometric data used for unique identification purposes and genetic information as well as personal data related to criminal offences or convictions. In the UK the Data Protection Act 2018 complements the UK GDPR in this regard. This may lead to greater divergence on the law that applies to the processing of such data types across the EEA and/or UK, compliance with which, as and where applicable, may increase our costs and could increase our overall compliance risk. Such country-specific regulations could also limit our ability to collect, use and share data in the context of our EEA and/or UK operations, and/or could cause our compliance costs to increase, ultimately having an adverse impact on our business and harming our business and financial condition.

The GDPR imposes stringent requirements for controllers and processors of personal data. Further, following the UK's vote in favor of exiting the EU, often referred to as Brexit, ongoing developments in the UK have created uncertainty with regard to data protection regulation in the UK and in respect of transfers of personal data from the EEA to the UK. A summary of each of these matters is detailed in the "Business—Government Regulation and Product Approval—Data Privacy and Security," below.

A particular issue presented by certain European data protection laws, including the GDPR, is that they generally restrict transfers of personal data from Europe, including the EEA, United Kingdom and Switzerland, to the United States and most other countries unless the parties to the transfer have implemented specific safeguards to protect the transferred personal data; and certain previously available safeguards have been invalidated, and reliance on alternative safeguards may be complex or not possible in certain circumstances—an overview of this area is summarized in "Business—Government Regulation and Product Approval—Data Privacy and Security," below. If we are unable to implement a valid solution for personal data transfers from Europe, including, for example, obtaining individuals' explicit consent to transfer their personal data from Europe to the United States or other countries, we will face increased exposure to regulatory actions, substantial fines and injunctions against processing personal data from Europe. Inability to import personal data from Europe, including the EEA, United Kingdom or Switzerland, may also (i) restrict our activities in Europe; (ii) limit our ability to collaborate with partners as well as other service providers, contractors and other companies subject to European data protection laws; and (iii) require us to increase our data processing capabilities in Europe at significant expense or otherwise cause us to change the geographical location or segregation of our relevant systems and operations—any or all of which could adversely affect our financial results. Additionally, other countries outside of Europe have enacted or are considering enacting similar cross-border data transfer restrictions and laws requiring local data residency, which could increase the cost and complexity of delivering our services and operating our business. The type of challenges we face in Europe will likely also arise in other jurisdictions that adopt laws similar in construction to the GDPR or regulatory frameworks of equivalent complexity.

The GDPR also provides for more robust regulatory enforcement and greater penalties for noncompliance than previously applicable data protection laws, including fines of up to €20 million or 4% of an undertaking's total worldwide annual turnover for the preceding financial year, whichever is higher. In addition to administrative fines, a wide variety of other potential enforcement powers are available to competent supervisory authorities in respect of potential and suspected violations of the GDPR, including extensive audit and inspection rights, and powers to order temporary or permanent bans on all or some processing of personal data carried out by noncompliant actors. The GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies and obtain compensation for damages resulting from violations of the GDPR. Additionally, as noted above, the UK has transposed the GDPR into the laws of the United Kingdom by way of the UK GDPR, which could expose us to two parallel regimes, each of which potentially authorizes similar fines, with

the UK GDPR permitting fines of up to the higher of £17 million or 4% of global annual revenue of any noncompliant organizations for the preceding financial year; as well as other potentially divergent enforcement actions for certain violations. Implementing mechanisms to endeavor to ensure compliance with the GDPR and relevant local legislation in EEA Member States and the UK may be onerous and may interrupt or delay our development activities, and adversely affect our business, financial condition, results of operations and prospects. In addition to the foregoing, a breach of the GDPR or other applicable privacy and data protection laws and regulations could result in regulatory investigations, reputational damage, orders to cease/change our use of data, enforcement notices, or potential civil claims including class action-type litigation. While we have taken steps to comply with the GDPR where applicable, including by reviewing our security procedures, engaging data protection personnel, and entering into data processing agreements with relevant contractors, our efforts to achieve and remain in compliance may not be fully successful.

Compliance with U.S. and foreign privacy and security laws, rules and regulations could require us to take on more onerous obligations in our contracts, require us to engage in costly compliance exercises, restrict our ability to collect, use and disclose data, or in some cases, impact our or our partners' or suppliers' ability to operate in certain jurisdictions. Each of these constantly evolving laws can be subject to varying interpretations. Failure to comply with U.S. and foreign data protection laws and regulations could result in government investigations and enforcement actions (which could include civil or criminal penalties), fines, private litigation, and/or adverse publicity and could negatively affect our operating results and business. Moreover, patients about whom we or our partners obtain information, as well as the providers who share this information with us, may contractually limit our ability to use and disclose the information. Claims that we have violated individuals' privacy rights, failed to comply with data protection laws, or breached our contractual obligations, even if we are not found liable, could be expensive and time-consuming to defend and could result in adverse publicity that could harm our business.

The withdrawal of the UK from the EU may adversely impact our ability to obtain regulatory approvals of our product candidates in the EU, result in restrictions or imposition of taxes and duties for importing our product candidates into the EU, and may require us to incur additional expenses in order to develop, manufacture and commercialize our product candidates in the EU.

Following the result of a referendum in 2016, the UK left the EU on January 31, 2020, commonly referred to as Brexit. Pursuant to the formal withdrawal arrangements agreed between the UK and the EU, the UK was subject to a transition period until December 31, 2020 (the Transition Period) during which EU rules continued to apply. A trade and cooperation agreement (the Trade and Cooperation Agreement) that outlines the future trading relationship between the UK and the EU was agreed on in December 2020.

Since a significant proportion of the regulatory framework in the UK applicable to our business and our product candidates is derived from EU directives and regulations, Brexit, has had, and may continue to have, a material impact upon the regulatory regime with respect to the development, manufacture, importation, approval and commercialization of our product candidates in the UK or the EU. For example, Great Britain is no longer covered by the centralized procedures for obtaining EU-wide marketing authorization from the European Medicines Agency (EMA) and a separate process for authorization of drug products, including REN001 and any future product candidates, will be required to market our product candidates in the UK. It is currently unclear whether the Medicines & Healthcare products Regulatory Agency (MHRA) in the UK is sufficiently prepared to handle the increased volume of marketing authorization applications that it is likely to receive. Any delay in obtaining, or an inability to obtain, any marketing approvals, as a result of Brexit or otherwise, would prevent us from commercializing our REN001 in the UK or the EU and restrict our ability to generate revenue and achieve and sustain profitability. While the Trade and Cooperation Agreement provides for the tariff-free trade of medicinal products between the UK and the EU there may be additional non-tariff costs to such trade which did not exist prior to the end of the Transition Period. Further, should the UK diverge from the EU from a regulatory perspective in relation to medicinal products, tariffs could be put into place in the future. If any of these outcomes occur, we may be forced to restrict or delay efforts to seek regulatory approval in the UK or the EU for REN001 and any future product candidates, or incur significant additional expenses to operate our business, which could significantly and materially harm or delay our ability to generate revenues or achieve profitability of our business. Any further changes in international trade, tariff and import/export regulations as a result of Brexit or otherwise may impose unexpected duty costs or other non-tariff barriers on us. These developments, or the perception that any of them could occur,

may significantly reduce global trade and, in particular, trade between the impacted nations and the UK. It is also possible that Brexit may negatively affect our ability to attract and retain employees, particularly those from the EU.

If product liability lawsuits are brought against us, we may incur substantial liabilities and may be required to limit commercialization of REN001 and any future product candidates.

We face an inherent risk of product liability as a result of the clinical testing of REN001 and any future product candidates and will face an even greater risk if we commercialize any products. For example, we may be sued if REN001 or any future product candidates causes or is perceived to cause injury or is found to be otherwise unsuitable during clinical testing, manufacturing, marketing, or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability, and a breach of warranties. Claims could also be asserted under state consumer protection acts. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit commercialization of REN001. Even successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in:

- decreased demand for REN001 and any future product candidates;
- injury to our reputation;
- withdrawal of clinical trial participants;
- initiation of investigations by regulatory authorities;
- costs to defend the related litigation;
- a diversion of management's time and our resources;
- substantial monetary awards to trial participants or patients;
- product recalls, withdrawals or labeling, marketing, or promotional restrictions;
- loss of revenue;
- exhaustion of any available insurance and our capital resources;
- the inability to commercialize REN001 and any future product candidates; or
- a decline in our share price.

Our inability to obtain and retain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims could prevent or inhibit the commercialization of products we develop. We currently carry an aggregate of up to $7 million of product liability insurance covering our clinical trials. Although we maintain such insurance, any claim that may be brought against us could result in a court judgment or settlement in an amount that is not covered, in whole or in part, by our insurance or that is in excess of the limits of our insurance coverage. If we determine that it is prudent to increase our product liability coverage due to the commercial launch of any approved product, we may be unable to obtain such increased coverage on acceptable terms, or at all. Our insurance policies also have various exclusions, and we may be subject to a product liability claim for which we have no coverage. We will have to pay any amounts awarded by a court or negotiated in a settlement that exceed our coverage limitations or that are not covered by our insurance, and we may not have, or be able to obtain, sufficient capital to pay such amounts.

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

We have incurred substantial losses during our history and do not expect to become profitable in the near future, and we may never achieve profitability. To the extent that we continue to generate taxable losses, unused losses will carry forward to offset future taxable income, if any, until such unused losses expire (if at all). At December 31, 2020, after reducing net operating losses (NOLs) and research and development credits for amounts not expected to be utilized, we had federal NOL carryforwards of approximately $ million. As of December 31, 2020, we had no state NOL carryforwards. The federal NOL carryforwards arising in taxable years beginning prior to 2018 will begin to expire in 2036, unless previously utilized. We also have federal and state research and development credit carryforwards totaling $ million and $ million, respectively. The federal research and development credit carryforwards will begin to expire in 2036, unless previously utilized. The state research and development credits will not expire.

Under the Tax Act, as modified by the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) federal NOL carryforwards generated in tax years beginning after December 31, 2017 may be carried forward indefinitely but, in the case of tax years beginning after 2020, may only be used to offset 80% of our taxable income annually. Our NOLs and tax credit carryforwards are subject to review and possible adjustment by the Internal Revenue Service and state tax authorities and may become subject to an annual limitation in the event of certain cumulative changes in the ownership interest of significant stockholders over a rolling three-year period in excess of 50 percentage points (by value), as defined under Section 382 of the Internal Revenue Code of 1986, as amended. Our ability to utilize our NOL carryforwards and other tax attributes to offset future taxable income or tax liabilities may be limited as a result of ownership changes, including potential changes in connection with this offering. Similar rules may apply under state tax laws. Such limitations could result in the expiration of our carryforwards before they can be utilized and, if we are profitable, our future cash flows could be adversely affected due to our increased taxable income or tax liability. We may have experienced ownership changes in the past and may experience ownership changes as a result of this offering or future offerings and/or subsequent changes in our stock ownership (some of which shifts are outside our control). In addition, at the state level, there may be periods during which the use of NOLs is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed. For example, California imposed limits on the usability of California state NOLs to offset California taxable income in tax years beginning after 2019 and before 2023.

Changes in tax laws or regulations that are applied adversely to us or our customers may have a material and adverse effect on our business, cash flow, financial condition or results of operations.

The Tax Act enacted many significant changes to the U.S. tax laws. Future guidance from the IRS and other tax authorities with respect to the Tax Act may affect us, and certain aspects of the Tax Act could be repealed or modified in future legislation. For example, the CARES Act modified certain provisions of the Tax Act. Changes in corporate tax rates, the realization of net deferred tax assets relating to our U.S. operations, the taxation of foreign earnings and the deductibility of expenses under the Tax Act or future tax reform legislation could have a material impact on the value of our deferred tax assets, could result in significant one-time charges in the current or future taxable years and could increase our future U.S. tax expense. The foregoing items, as well as any other future changes in tax laws, could have a material adverse effect on our business, cash flow, financial condition or results of operations. In addition, it is uncertain if and to what extent various states will conform to the Tax Act, the CARES Act, or any newly enacted federal tax legislation.

Tax authorities may disagree with our positions and conclusions regarding certain tax positions, resulting in unanticipated costs, taxes or non-realization of expected benefits.

A tax authority may disagree with tax positions that we have taken, which could result in increased tax liabilities. For example, the U.S. Internal Revenue Service or another tax authority could challenge our allocation of income by tax jurisdiction and the amounts paid between our affiliated companies pursuant to our intercompany arrangements and transfer pricing policies, including amounts paid with respect to our intellectual property development. Similarly, a tax authority could assert that we are subject to tax in a jurisdiction where we believe we have not established a taxable nexus, often referred to as a “permanent establishment” under international tax treaties, and such an assertion, if successful, could increase our expected tax liability in one or more jurisdictions. A tax authority may take the position that material income tax liabilities, interest and penalties are payable by us, in which case, we expect that we might contest such assessment. Contesting such an assessment may be lengthy and costly and if we were unsuccessful in disputing the assessment, the implications could increase our anticipated effective tax rate, where applicable.

Risks Related to Our Reliance on Third Parties

We depend on a license agreement with vTv Therapeutics, and termination of this license could result in the loss of significant rights, which would harm our business.

We are dependent on technology, patents, know-how, and proprietary materials, both our own and licensed from others. We entered into a license agreement with vTv Therapeutics in December 2017 pursuant to which we were granted an exclusive, worldwide, sublicensable license under vTv Therapeutics intellectual property relating to vTv Therapeutics’ PPARd agonist program, to develop, manufacture and commercialize PPARd agonists and products

containing such PPARd agonists, including REN001, or licensed products, for any therapeutic, prophylactic or diagnostic application in humans. Any termination of this license will result in the loss of significant rights and will restrict our ability to develop and commercialize REN001. See "Business—License Agreement with vTv Therapeutics LLC" for a description of our license agreement, which includes a description of the termination provision of this agreement.

We are generally also subject to all of the same risks with respect to protection of intellectual property that we license, as we are for intellectual property that we own, which are described below under "Risks Related to Our Intellectual Property." If we or our licensors fail to adequately protect this intellectual property, our ability to commercialize products could suffer.

We rely on third parties to conduct, supervise and monitor our clinical trials. If these third parties do not successfully carry out their contractual duties meet rigorously enforced regulatory requirements, or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize REN001.

We currently rely on, and intend to continue relying on, third-party CROs in connection with our clinical trials for REN001. We control or will control only certain aspects of their activities. Nevertheless, we are responsible for ensuring that each of our clinical trials is conducted in accordance with applicable protocol, legal, regulatory, and scientific standards, and our reliance on our CROs does not relieve us of our regulatory responsibilities. We and our CROs are required to comply with GCPs, which are regulations and guidelines enforced by the FDA and comparable foreign regulatory authorities for product candidates in clinical development. Regulatory authorities enforce these GCPs through periodic inspections of trial sponsors, principal investigators and trial sites. If we or any of these CROs fail to comply with applicable GCP regulations, the clinical data generated in our clinical trials may be deemed unreliable and the FDA or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. Upon inspection, such regulatory authorities may determine that our clinical trials do not comply with the GCP regulations. In addition, our clinical trials must be conducted with drug product produced under cGMP regulations and will require a large number of test subjects. Our failure or any failure by our CROs to comply with these regulations or to recruit a sufficient number of patients may require us to repeat clinical trials, which would delay the regulatory approval process. Moreover, our business may be implicated if any of our CROs violates federal or state fraud and abuse or false claims laws and regulations or healthcare privacy and security laws.

Our CROs are not our employees and, except for remedies available to us under our agreements with such CROs, we cannot control whether or not they devote sufficient time and resources to our ongoing preclinical, clinical and nonclinical programs. These CROs may also have relationships with other commercial entities, including our competitors, for whom they may also be conducting clinical trials or other drug development activities, which could affect their performance on our behalf. If our CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols or regulatory requirements or for other reasons, our clinical trials may be extended, delayed, or terminated and we may not be able to complete development of, obtain regulatory approval for or successfully commercialize REN001 and any future product candidates. As a result, our financial results and the commercial prospects for REN001 and any future product candidates would be harmed, our costs could increase and our ability to generate revenues could be delayed.

Switching or adding CROs involves substantial cost and requires extensive management time and focus. In addition, there is a natural transition period when a new CRO commences work. As a result, delays occur, which can materially impact our ability to meet our desired clinical development timelines. Although we carefully manage our relationships with our CROs, we may encounter challenges or delays in the future and these delays or challenges may have a material adverse impact on our business, prospects, financial condition, and results of operations.

In addition, quarantines, shelter-in-place, and similar government orders, or the perception that such orders, shutdowns or other restrictions on the conduct of business operations could occur, related to COVID-19 or other infectious diseases could impact personnel at our CROs, which could disrupt our clinical timelines, which could have a material adverse impact on our business, prospects, financial condition, and results of operations.

We rely completely on third parties to manufacture our preclinical and clinical drug supplies and we intend to rely on third parties to produce commercial supplies of REN001 and any future product candidates, if approved, and these third parties may fail to obtain and maintain regulatory approval for their facilities, fail to provide us with sufficient quantities of drug product or fail to do so at acceptable quality levels or prices.

We do not currently have nor do we plan to acquire the infrastructure or capability internally to manufacture our clinical drug supplies for use in the conduct of our clinical trials, and we lack the resources and the capability to manufacture REN001 and any future product candidates on a clinical or commercial scale. Instead, we rely on contract manufacturers for such production.

We do not currently have any long-term agreement with a manufacturer to produce raw materials, active pharmaceutical ingredients (APIs) and the finished products of REN001 used in our current product format and we rely on single-source suppliers for clinical supply of API and drug product of REN001. We intend to enter into agreements for commercial production with third-party suppliers. Our reliance on third-party suppliers and manufacturers, including single-source suppliers, could harm our ability to develop REN001 or commercialize it, if approved. Further, any delay in identifying and qualifying a manufacturer for commercial production could delay the potential commercialization of REN001 and any future product candidates, and, in the event that we do not have sufficient product to complete our clinical trials, it could delay such trials.

The facilities used by our contract manufacturers to manufacture REN001 and any future product candidates must be approved by the applicable regulatory authorities, including the FDA, pursuant to inspections that will be conducted after an NDA or comparable foreign regulatory marketing application is submitted. We currently do not control the manufacturing process of REN001 and are completely dependent on our contract manufacturing partners for compliance with the FDA's cGMP requirements for manufacture of both the active drug substances and finished drug product. If our contract manufacturers cannot successfully manufacture material that conforms to our specifications and the FDA's strict regulatory requirements, they will not be able to secure or maintain FDA approval for the manufacturing facilities. In addition, we have no control over the ability of our contract manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the FDA or any other applicable regulatory authority does not approve these facilities for the manufacture of REN001 or any future product candidates or if it withdraws any such approval in the future, or if our suppliers or contract manufacturers decide they no longer want to supply or manufacture for us, we may need to find alternative manufacturing facilities, in which case we might not be able to identify manufacturers for clinical or commercial supply on acceptable terms, or at all, which would significantly impact our ability to develop, obtain regulatory approval for, or market REN001and any future product candidates.

In addition, the manufacture of pharmaceutical products is complex and requires significant expertise and capital investment, including the development of advanced manufacturing techniques and process controls. Manufacturers of pharmaceutical products often encounter difficulties in production, particularly in scaling up and validating initial production and absence of contamination. These problems include difficulties with production costs and yields, quality control, including stability of the product, quality assurance testing, operator error, shortages of qualified personnel, as well as compliance with strictly enforced federal, state, and foreign regulations. Furthermore, if contaminants are discovered in our supply of REN001 or any future product candidates or in the manufacturing facilities, such manufacturing facilities may need to be closed for an extended period of time to investigate and remedy the contamination. Any stability or other issues relating to the manufacture of REN001 may occur in the future. In addition, quarantines, shelter-in-place, and similar government orders, or the perception that such orders, shutdowns, or other restrictions on the conduct of business operations could occur, related to COVID-19 or other infectious diseases could impact personnel at our third-party manufacturing facilities upon which we rely, or the availability or cost of materials, which could disrupt the supply chain for our product candidates. Additionally, our manufacturers may experience manufacturing difficulties due to resource constraints or as a result of labor disputes or unstable political environments. If our manufacturers were to encounter any of these difficulties, or otherwise fail to comply with their contractual obligations, our ability to provide our product candidate to patients in clinical trials would be jeopardized. Any delay or interruption in the supply of clinical trial supplies could delay the completion of clinical trials, increase the costs associated with maintaining clinical trial programs and, depending upon the period of delay, require us to commence new clinical trials at additional expense or terminate clinical trials completely.

If we or our third-party manufacturers use hazardous in a manner that causes injury or violates applicable law, we may be liable for damages.

Our research and development activities involve the controlled use of potentially hazardous substances by our third-party manufacturers. Our manufacturers are subject to federal, state, and local laws and regulations in the United States governing the use, manufacture, storage, handling and disposal of medical, radioactive and hazardous materials. Although we believe that our manufacturers' procedures for using, handling, storing and disposing of these materials comply with legally prescribed standards, we cannot completely eliminate the risk of contamination or injury resulting from hazardous materials. As a result of any such contamination or injury, we may incur liability or local, city, state or federal authorities may curtail the use of these materials and interrupt our business operations. In the event of an accident, we could be held liable for damages or penalized with fines, and the liability could exceed our resources. We do not have any insurance for liabilities arising from hazardous materials. Compliance with applicable environmental laws and regulations is expensive, and current or future environmental regulations may impair our research, development, and production efforts, which could harm our business, prospects, financial condition, or results of operations.

Risks Related to Our Intellectual Property

Our success depends on our ability to obtain and maintain sufficient intellectual property protection for REN001, any future product candidates, and other proprietary technologies.

Our commercial success will depend in part on our ability to obtain and maintain a combination of patents, trade secret protection and confidentiality agreements to protect the intellectual property related to REN001, any future product candidates, and other proprietary technologies we develop. If we are unable to obtain or maintain patent protection with respect to REN001, any future product candidates, and other proprietary technologies we may develop, our business, financial condition, results of operations, and prospects could be materially harmed.

We generally seek to protect our products and product candidates and related inventions and improvements that we consider important to our business. We own a portfolio of U.S and non-U.S. patent applications for REN001 and have licensed rights to a number of U.S. and non-U.S. patents and patent applications for REN001. Some of our owned and licensed patents and patent applications cover or relate to REN001, including uses to treat particular conditions and methods of manufacturing.

We have licensed patents and patent applications from vTv Therapeutics directed to REN001, some of which are expected to expire as early as 2026, absent any patent term adjustments or extensions. In addition, we own pending patent applications directed to REN001. Pending patent applications cannot be enforced against third parties practicing the technology claimed in such applications unless, and until, patents issue from such applications, and then only to the extent the issued claims cover such technology. There can be no assurance that our patent applications or the patent applications of our future licensors will result in patents being issued or that issued patents will afford sufficient protection against competitors with similar technology, nor can there be any assurance that the patents issued will not be infringed, designed around or invalidated by third parties.

Even issued patents may later be found invalid or unenforceable or may be modified or revoked in proceedings instituted by third parties before various patent offices or in courts. The degree of future protection for our and our licensors' proprietary rights is uncertain. Only limited protection may be available and may not adequately protect our rights or permit us to gain or keep any competitive advantage. These uncertainties and/or limitations in our ability to properly protect the intellectual property rights relating to our product candidates could have a material adverse effect on our financial condition and results of operations.

We cannot be certain that the claims in our U.S. pending patent applications, corresponding international patent applications and patent applications in certain foreign territories, or those of our future licensors, will be considered patentable by the United States Patent and Trademark Office (USPTO), courts in the United States or by the patent offices and courts in foreign countries, nor can we be certain that the claims in our future issued patents will not be found invalid or unenforceable if challenged.

In addition, although we enter into non-disclosure and confidentiality agreements with parties who have access to patentable aspects of our research and development output, such as our employees, outside scientific collaborators,

CROs, third-party manufacturers, consultants, advisors, potential partners, and other third parties, any of these parties may breach such agreements and disclose such output before a patent application is filed, thereby jeopardizing our ability to seek patent protection.

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

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

The patent application process is subject to numerous risks and uncertainties, and there can be no assurance that we or any of our potential future collaborators will be successful in protecting our product candidates by obtaining and defending patents. The United States Patent and Trademark Office (USPTO) and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment, and other similar provisions during the patent process. Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on any issued patents and/or applications are due to be paid to the USPTO and foreign patent agencies in several stages over the lifetime of the patents and/or applications. We have systems in place to remind us to pay these fees, and we employ an outside firm and rely on our outside counsel to pay these fees due to foreign patent agencies. While an inadvertent lapse may sometimes be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance (including as a result of the ongoing COVID-19 pandemic) can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include, but are not limited to, failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. If such event were to occur, our competitors might be able to enter the market with similar or identical products or technology earlier than should otherwise have been the case, which would have a material adverse effect on our business, financial condition, results of operations, and prospects.

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

Patent rights are of limited duration. The term of any individual patent depends on applicable law in the country where the patent is granted. In the United States, provided all maintenance fees are timely paid, a patent generally has a term of 20 years from its application filing date or earliest claimed non-provisional filing date. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such product candidates are commercialized. Even if patents covering our product candidates are obtained, once the patent term has expired for a product, we may be open to competition from generic products. As a result, our patent portfolio may not provide us with sufficient rights to exclude others from commercializing product candidates similar or identical to ours. Upon issuance in the United States, the term of a patent can be increased by patent term adjustment, which is based on certain delays caused by the USPTO, but this increase can be reduced or eliminated based on certain delays caused by the patent applicant during patent prosecution. The term of a United States patent may also be shortened if the patent is terminally disclaimed over an earlier-filed patent. Extensions may be available under certain circumstances, but the term of a patent and, correspondingly, the protection it affords is limited. A patent term extension (PTE) based on regulatory delay may be available in the United States. However, only a single patent can be extended for each marketing approval, and any patent can be extended only once, for a single product. Moreover, the scope of protection during the period of the PTE does not extend to the full scope of the claim, but instead only to the scope of the claim covering the product as approved. Laws governing analogous PTEs in foreign jurisdictions vary widely, as do laws governing the ability to obtain multiple patents from a single patent family. Additionally, we may not receive an extension if we fail to exercise due diligence during the testing phase or regulatory review process, apply within applicable deadlines, fail to apply prior to expiration of relevant patents or otherwise fail to satisfy applicable requirements. If we are unable to obtain PTE or restoration, or the term of any such extension is less than we request, the period during which we will have the right to exclusively market our product will be shortened and our competitors may obtain approval of competing products following our patent expiration and may take advantage of

our investment in development and clinical trials by referencing our clinical and preclinical data to launch their product earlier than might otherwise be the case, which could materially adversely affect our business, financial condition, results of operations and prospects.

Furthermore, our patents covering certain components of our product candidates may expire prior to the commercialization of our product candidates or soon thereafter. As a result, third parties may be able to utilize these components of our products after expiration of these patents.

Even if we or our licensors obtain patents covering our product candidates, when the terms of all patents covering a product expire, our business may become subject to competition from competitive products, including generic products. Given the amount of time required for the development, testing, and regulatory review and approval of new product candidates, patents protecting such candidates may expire before or shortly after such candidates are commercialized. As a result, our owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours. For example, we have licensed patents from vTv Therapeutics that cover composition of matter of REN001, which are set to expire in 2026, absent any patent term adjustments or extensions.

If we do not obtain patent term extension for REN001, our business may be materially harmed.

Depending upon the timing, duration, and specifics of any FDA marketing approval of REN001, or any future product candidate we may develop, one or more of patents issuing from our U.S. patent applications may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Action of 1984 (Hatch-Waxman Amendments). The Hatch-Waxman Amendments permit a patent extension term (PTE) of up to five years as compensation for patent term lost during the FDA regulatory review process. A patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval, only one patent may be extended and only those claims covering the approved drug, a method for using it or a method for manufacturing it may be extended. Similar patent term restoration provisions to compensate for commercialization delay caused by regulatory review are also available in certain foreign jurisdictions, such as in Europe under Supplemental Protection Certificate (SPC). If we encounter delays in our development efforts, including our clinical trials, the period of time during which we could market REN001 and any future product candidates under patent protection would be reduced. Additionally, we may not receive an extension if we fail to apply within applicable deadlines, fail to apply prior to expiration of relevant patents, or otherwise fail to satisfy applicable requirements. Moreover, the applicable time period or the scope of patent protection afforded could be less than we request. If we are unable to obtain patent term extension or restoration, or the term of any such extension is less than we request, the period during which we will have the right to exclusively market our product will be shortened and our competitors may obtain approval of competing products following our patent expiration, and our revenue may be materially reduced. Further, if this occurs, our competitors may take advantage of our investment in development and trials by referencing our clinical and preclinical data and launch their product earlier than might otherwise be the case.

We cannot ensure that patent rights relating to inventions described and claimed in our pending patent applications will issue or that patents based on our patent applications will not be challenged and rendered invalid and/or unenforceable.

We have pending U.S., international (*i.e.*, PCT), and other foreign patent applications in our portfolio relating to REN001. However, we cannot predict:

- if and when patents may issue based on our patent applications;
- the scope of protection of any patent issuing based on our patent applications;
- whether the claims of any patent issuing based on our patent applications will provide protection against competitors,
- whether or not third parties will find ways to invalidate or circumvent our patent rights;
- whether or not others will obtain patents claiming aspects similar to those covered by our patents and patent applications;
- whether we will need to initiate litigation or administrative proceedings to enforce and/or defend our patent rights which will be costly whether we win or lose;

- whether the patent applications that we own or in-license will result in issued patents with claims that cover our product candidates or uses thereof; and/or
- whether, as the COVID-19 pandemic continues to spread around the globe, we may experience patent office interruption or delays to our ability to timely secure patent coverage to our product candidates.

We cannot be certain that the claims in our pending patent applications directed to our product candidates, as well as technologies relating to our research programs will be considered patentable by the USPTO or by patent offices in foreign countries. One aspect of the determination of patentability of our inventions depends on the scope and content of the "prior art," information that was or is deemed available to a person of skill in the relevant art prior to the priority date of the claimed invention. There may be prior art of which we are not aware that may affect the patentability of our patent claims or, if issued, affect the validity or enforceability of a patent claim relevant to our business. There is no assurance that there is not prior art of which we are aware, but which we do not believe is relevant to our business, which may, nonetheless, ultimately be found to limit our ability to make, use, sell, offer for sale or import our products that may be approved in the future, or impair our competitive position. Even if the patents do issue based on our patent applications, third parties may challenge the validity, enforceability or scope thereof, which may result in such patents being narrowed, invalidated or held unenforceable. Furthermore, even if they are unchallenged, patents in our portfolio may not adequately exclude third parties from practicing relevant technology or prevent others from designing around our claims. If the breadth or strength of our intellectual property position with respect to our product candidates is threatened, it could dissuade companies from collaborating with us to develop and threaten our ability to commercialize our product candidates. In the event of litigation or administrative proceedings, we cannot be certain that the claims in any of our issued patents will be considered valid by courts in the United States or foreign countries.

Derivation proceedings may be necessary to determine priority of inventions, and an unfavorable outcome may require us to cease using the related technology or to attempt to license rights from the prevailing party.

Derivation proceedings provoked by third parties or brought by us or declared by the USPTO may be necessary to determine the priority of inventions with respect to our patents or patent applications or those of our future licensors. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms. Our defense of derivation proceedings may fail and, even if successful, may result in substantial costs and distract our management and other employees. In addition, the uncertainties associated with such proceedings could have a material adverse effect on our ability to raise the funds necessary to continue our clinical trials, continue our development programs, license necessary technology from third parties or enter into development or manufacturing partnerships that would help us bring our product candidates to market.

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

The patent position of biotechnology and pharmaceutical companies is highly uncertain and involves complex legal, scientific, and factual questions and has been the subject of frequent litigation in recent years. As a result, the issuance, scope, validity, enforceability, and commercial value of our patent rights are highly uncertain. Our patent applications may not result in patents being issued which protect REN001, any future product candidates, and other proprietary technologies we may develop or which effectively prevent others from commercializing competitive technologies and products. Further, no consistent policy regarding the breadth of claims allowed in pharmaceutical patents has emerged to date in the United States or in many jurisdictions outside of the United States. Changes in either the patent laws or interpretations of patent laws in the United States and other countries may diminish the value of our intellectual property. Accordingly, we cannot predict the breadth of claims that may be enforced in the patents that may be issued from the applications we currently or may in the future own or license from third parties. Further, if any patents we obtain or license are deemed invalid and unenforceable, our ability to commercialize or license our technology could be adversely affected.

Moreover, the coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance. Even if patent applications we own or in-license in the future issue as

patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us, or otherwise provide us with any competitive advantage. Any patents that we own or in-license may be challenged or circumvented by third parties or may be narrowed or invalidated as a result of challenges by third parties. Consequently, we do not know whether our product candidates will be protectable or remain protected by valid and enforceable patents. Our competitors or other third parties may be able to circumvent our patents or the patents of our future licensors by developing similar or alternative technologies or products in a non-infringing manner which could materially adversely affect our business, financial condition, results of operations and prospects.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our patents or the patents of our future licensors may be challenged in the courts or patent offices in the United States and abroad. We may be subject to a third-party pre-issuance submission of prior art to the USPTO, or become involved in opposition, derivation, revocation, reexamination, post-grant review (PGR) and inter partes review (IPR), or other similar proceedings challenging our owned patent rights. An adverse determination in any such submission, proceeding or litigation could reduce the scope of, or invalidate or render unenforceable, our patent rights, allow third parties to commercialize our product candidates and compete directly with us, without payment to us, or result in our inability to manufacture or commercialize products without infringing third-party patent rights. Moreover, our patents or the patents of our future licensors may become subject to post-grant challenge proceedings, such as oppositions in a foreign patent office, that challenge our priority of invention or other features of patentability with respect to our patents and patent applications and those of our future licensors. Such challenges may result in loss of patent rights, loss of exclusivity or in patent claims being narrowed, invalidated or held unenforceable, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our product candidates. Such proceedings also may result in substantial cost and require significant time from our scientists and management, even if the eventual outcome is favorable to us. In addition, if the breadth or strength of protection provided by our patents and patent applications or the patents and patent applications of our future licensors is threatened, regardless of the outcome, it could dissuade companies from collaborating with us to license, develop or commercialize current or future product candidates.

The patent application process is subject to numerous risks and uncertainties, and there can be no assurance that we or any of our actual or potential future collaborators will be successful in protecting REN001, any future product candidates, and other proprietary technologies and their uses by obtaining, defending and enforcing patents. These risks and uncertainties include the following:

- the United States Patent and Trademark Office (USPTO) and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other provisions during the patent process, the noncompliance with which can result in abandonment or lapse of a patent or patent application, and partial or complete loss of patent rights in the relevant jurisdiction;
- patent applications may not result in any patents being issued;
- patents that may be issued or in-licensed may be challenged, invalidated, modified, revoked, circumvented, found to be unenforceable, or may otherwise not provide any competitive advantage;
- our competitors, many of whom have substantially greater resources than we do and many of whom have made significant investments in competing technologies, may seek or may have already obtained patents that will limit, interfere with, or eliminate our ability to make, use and sell our potential product candidates;
- other parties may have designed around our claims or developed technologies that may be related or competitive to our platform, may have filed or may file patent applications and may have received or may receive patents that overlap or conflict with our patent applications, either by claiming the same composition of matter, methods or formulations or by claiming subject matter that could dominate our patent position;
- any successful opposition to any patents owned by or licensed to us could deprive us of rights necessary for the practice of our technologies or the successful commercialization of any products or product candidates that we may develop;
- because patent applications in the United States and most other countries are confidential for a period of time after filing, we cannot be certain that we or our licensors were the first to file any patent application related to REN001, any future product candidates, and other proprietary technologies and their uses;

- an interference proceeding can be provoked by a third party or instituted by the USPTO to determine who was the first to invent any of the subject matter covered by the patent claims of our applications for any application with an effective filing date before March 16, 2013;
- there may be significant pressure on the U.S. government and international governmental bodies to limit the scope of patent protection both inside and outside the United States for disease treatments that prove successful, as a matter of public policy regarding worldwide health concerns; and
- countries other than the United States may have patent laws less favorable to patentees than those upheld by U.S. courts, allowing foreign competitors a better opportunity to create, develop, and market competing product candidates in those countries.

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

Intellectual property rights are uncertain and do not necessarily address all potential threats to our competitive advantage.

The degree of future protection for our proprietary rights is uncertain because legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. If we do not adequately protect our intellectual property and proprietary technology, competitors may be able to use REN001, any future product candidates, and other proprietary technologies and erode or negate any competitive advantage we may have, which could have a material adverse effect on our financial condition and results of operations. For example:

- others may be able to make compounds that are similar to REN001 and any future product candidates but that are not covered by the claims of our patents;
- we might not have been the first to make the inventions covered by our pending patent applications;
- we might not have been the first to file patent applications for these inventions;
- others may independently develop similar or alternative technologies or duplicate any of our technologies;
- any patents that we obtain may not provide us with any competitive advantages;
- it is possible that the pending patent applications we own or license will not lead to issued patents;
- issued patents that we own or license may be held invalid or unenforceable, as a result of legal challenges by our competitors;
- we may not develop additional proprietary technologies that are patentable;
- our competitors might conduct research and development activities in countries where we do not have patent rights or where patent protection is weak and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we cannot ensure that any of our patents, or any of our pending patent applications, if issued, or those of our licensors, will include claims having a scope sufficient to protect our products;

- there may be significant pressure on the U.S. government and international governmental bodies to limit the scope of patent protection both inside and outside the United States for disease treatments that prove successful, as a matter of public policy regarding worldwide health concerns;
- countries other than the United States may have patent laws less favorable to patentees than those upheld by U.S. courts, allowing foreign competitors a better opportunity to create, develop and market competing product candidates;
- we cannot ensure that we will be able to successfully commercialize our products on a substantial scale, if approved, before the relevant patents that we own or license expire; or
- the patents of others may have an adverse effect on our business.

Others have filed, and in the future are likely to file, patent applications covering products and technologies that are similar, identical or competitive to ours or important to our business. We cannot be certain that any patent application owned by a third party will not have priority over patent applications filed or in-licensed by us, or that we or our licensors will not be involved in interference, opposition or invalidity proceedings before U.S. or non-U.S. patent offices.

We cannot be certain that the claims in our issued patents and pending patent applications covering REN001 or any future product candidates will be considered patentable by the USPTO, courts in the United States, or by patent offices and courts in foreign countries. Furthermore, the laws of some foreign countries do not protect proprietary rights to the same extent or in the same manner as the laws of the United States. As a result, we may encounter significant problems in protecting and defending our intellectual property internationally.

The strength of patents in the biotechnology and pharmaceutical fields involves complex legal and scientific questions and can be uncertain. The patent applications that we own or in-license may fail to result in issued patents with claims that cover REN001 and any future product candidates in the United States or in foreign countries. Even if such patents do successfully issue, third parties may challenge the ownership, validity, enforceability, or scope thereof, which may result in such patents being narrowed, invalidated, or held unenforceable. Any successful opposition to our patents could deprive us of exclusive rights necessary for the successful commercialization of REN001 and any future product candidates. Furthermore, even if they are unchallenged, our patents may not adequately protect our intellectual property, provide exclusivity for REN001 or any future product candidates or prevent others from designing around our claims. If the breadth or strength of protection provided by the patents we hold with respect to REN001 or any future product candidates is threatened, it could dissuade companies from collaborating with us to develop, or threaten our ability to commercialize, REN001 or any future product candidates.

Composition of matter patents for pharmaceutical product candidates, in particular patents with claims covering the molecular structure of the active pharmaceutical ingredient, often provide the strongest form of intellectual property protection for those types of products, as such patents provide protection without regard to any variations in formulation, method of use, or manufacturing process of the product. While we have an exclusive license to compositions of matter patents covering the molecular structure of REN001, those patents will likely expire, absent patent term adjustment or extension, before the expiration of any regulatory exclusivity period that we may receive for REN001. We have pending patent applications directed to polymorphs of REN001. We cannot be certain that the claims in our pending patent applications directed to the polymorph of REN001 will be considered patentable by the USPTO or by patent offices in foreign countries, or that the claims in any of our issued patents will be considered valid and enforceable by courts in the United States or foreign countries. Method of use patents protect the use of a product for the specified method. This type of patent does not prevent a competitor from making and marketing a product that is identical to our product for an indication that is outside the scope of the patented method. Moreover, even if competitors do not actively promote their product for our targeted indications, physicians may prescribe these products “off-label.” Although off-label prescriptions may infringe or contribute to the infringement of method of use patents, the practice is common and such infringement is difficult to prevent or prosecute. Method of synthesis patents protect the method used to manufacture a product. This type of patent does not prevent a competitor from making and marketing a product that is identical to our product so long as it is made in a different way.

Patent reform legislation could increase the uncertainties and costs surrounding the prosecution of our patent applications or those of our future licensors and the enforcement or defense of our issued patents or those of our future licensors.

In September 2011, the Leahy-Smith America Invents Act, or America Invents Act, was signed into law. The America Invents Act includes a number of significant changes to U.S. patent law, including provisions that affect the way patent applications will be prosecuted and may also affect patent litigation. In particular, under the Leahy-Smith Act, the United States transitioned in March 2013 to a "first inventor to file" system in which, assuming that other requirements of patentability are met, the first inventor to file a patent application will be entitled to the patent regardless of whether a third party was first to invent the claimed invention. A third party that files a patent application in the USPTO after March 2013 but before us could therefore be awarded a patent covering an invention of ours even if we had made the invention before it was made by such third party. This will require us to be cognizant going forward of the time from invention to filing of a patent application. Furthermore, our ability to obtain and maintain valid and enforceable patents depends on whether the differences between our technology and the prior art allow our technology to be patentable over the prior art. Since patent applications in the United States and most other countries are confidential for a period of time after filing or until issuance, we may not be certain that we or our future licensors are the first to either (1) file any patent application related to our product candidates or (2) invent any of the inventions claimed in the patents or patent applications.

The Leahy-Smith Act also includes a number of significant changes that affect the way patent applications will be prosecuted and also may affect patent litigation. These include allowing third-party submission of prior art to the USPTO during patent prosecution and additional procedures to attack the validity of a patent by USPTO administered post-grant proceedings, including PGR, IPR, and derivation proceedings. An adverse determination in any such submission or proceeding could reduce the scope or enforceability of, or invalidate, our patent rights, which could adversely affect our competitive position.

Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in United States federal courts necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim invalid even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action. Accordingly, a third party may attempt to use the USPTO procedures to invalidate our patent claims that would not have been invalidated if first challenged by the third party as a defendant in a district court action. Thus, the Leahy-Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications or those of our future licensors and the enforcement or defense of our issued patents or those of our future licensors, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

For U.S. patent applications in which claims are entitled to a priority date before March 16, 2013, an interference proceeding can be provoked by a third party or instituted by the USPTO to determine who was the first to invent any of the subject matter covered by the patent claims of our patents or patent applications. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms. Our participation in an interference proceeding may fail and, even if successful, may result in substantial costs and distract our management and other employees.

Changes in U.S. patent law, or patent laws in other countries, could diminish the value of patents in general, thereby impairing our ability to protect REN001, any future product candidates, and other proprietary technologies.

As is the case with other biotechnology and pharmaceutical companies, our success is heavily dependent on intellectual property, particularly on obtaining and enforcing patents. Obtaining and enforcing patents in the pharmaceutical industry involves a high degree of technological and legal complexity, and is therefore costly, time-consuming and inherently uncertain. Therefore, our patent rights may be affected by developments or uncertainty in U.S. or foreign patent statutes, patent case law, USPTO rules and regulations or the rules and regulations of foreign patent offices. In addition, the United States may, at any time, enact changes to U.S. patent law and regulations, including by legislation, by regulatory rule-making, or by judicial precedent, that adversely affect the scope of patent protection available and weaken the rights of patent owners to obtain patents, enforce patent infringement and obtain injunctions and/or damages. For example, over the past several years the Court of Appeals for the Federal

Circuit and the Supreme Court issued various opinions, and the USPTO modified its guidance for practitioners on multiple occasions, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. Other countries may likewise enact changes to their patent laws in ways that adversely diminish the scope of patent protection and weaken the rights of patent owners to obtain patents, enforce patent infringement, and obtain injunctions and/or damages. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. We cannot predict the breadth of claims that may be allowed or enforced in our patents or in third-party patents, and whether Congress or other foreign legislative bodies may pass patent reform legislation that is unfavorable to us.

Further, the United States and other governments may, at any time, enact changes to law and regulation that create new avenues for challenging the validity of issued patents. For example, the America Invents Act created new administrative post-grant proceedings, including post-grant review, inter partes review, and derivation proceedings that allow third parties to challenge the validity of issued patents. This applies to all of our U.S. patents, even those issued before March 16, 2013. Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in U.S. federal courts necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim invalid even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on decisions by the U.S. Congress, the federal courts, and the USPTO, the laws and regulations governing patents could change in unpredictable ways that could weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future.

After March 2013, under the America Invents Act, the United States transitioned to a first inventor to file system in which, assuming that the other statutory requirements are met, the first inventor to file a patent application will be entitled to the patent on an invention regardless of whether a third -party was the first to invent the claimed invention. A third party that files a patent application in the USPTO after March 2013, but before we file an application covering the same invention, could therefore be awarded a patent covering an invention of ours even if we had made the invention before it was made by such third party. This will require us to be cognizant going forward of the time from invention to filing of a patent application. Since patent applications in the United States and most other countries are confidential for a period of time after filing or until issuance, we cannot be certain that we or our licensors were the first to either (i) file any patent application related to our product candidates and other proprietary technologies we may develop or (ii) invent any of the inventions claimed in our or our licensor’s patents or patent applications. Even where we have a valid and enforceable patent, we may not be able to exclude others from practicing the claimed invention where the other party can show that they used the invention in commerce before our filing date or the other party benefits from a compulsory license. However, the America Invents Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

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

Patents are of national or regional effect. Filing, prosecuting, and defending patents on REN001, any future product candidates, and other proprietary technologies we develop in all countries throughout the world would be prohibitively expensive. In addition, the laws of some foreign countries do not protect intellectual property rights in the same manner and to the same extent as laws in the United States. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and further, may export otherwise infringing products to territories where we have patent protection, but enforcement of such patent protection is not as strong as that in the United States. These products may compete with our products and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

The requirements for patentability may differ in certain countries. For example, unlike other countries, China has a heightened requirement for patentability, and specifically requires a detailed description of medical uses of a

claimed drug. In India, unlike the United States, there is no link between regulatory approval for a drug and its patent status. In addition to India, certain countries in Europe and developing countries, including China, have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In addition, some countries limit the enforceability of patents against government agencies or government contractors.

In those countries, we may have limited remedies if patents are infringed or if we are compelled to grant a license to a third party, which could materially diminish the value of those patents. This could limit our potential revenue opportunities. Accordingly, our efforts to enforce intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we own or license.

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

Further, the standards applied by the USPTO and foreign patent offices in granting patents are not always applied uniformly or predictably. As such, we do not know the degree of future protection that we will have on our technologies, products and product candidates. While we will endeavor to try to protect our technologies, products and product candidates with intellectual property rights such as patents, as appropriate, the process of obtaining patents is time consuming, expensive and unpredictable.

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

We may be subject to claims that former employees (including former employees of our licensors), collaborators or other third parties have an interest in our patent rights, trade secrets, or other intellectual property as an inventor or co-inventor. The failure to name the proper inventors on a patent application can result in the patents issuing thereon being unenforceable. For example, we may have inventorship disputes arise from conflicting views regarding the contributions of different individuals named as inventors, the effects of foreign laws where foreign nationals are involved in the development of the subject matter of the patent, conflicting obligations of third parties involved in developing REN001 or as a result of questions regarding co-ownership of potential joint inventions. Litigation may be necessary to resolve these and other claims challenging inventorship and/or ownership. Alternatively, or additionally, we may enter into agreements to clarify the scope of our rights in such intellectual property. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, valuable intellectual property. Such an outcome could have a material adverse effect on our business, financial condition, results of operations and prospects. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

Our current and future licensors may have relied on third-party consultants or collaborators or on funds from third parties, such that our licensors are not the sole and exclusive owners of the patents we in-licensed. If other third parties have ownership rights or other rights to our in-licensed patents, they may be able to license such patents to our competitors, and our competitors could market competing products and technology. This could have a material adverse effect on our competitive position, business, financial condition, results of operations and prospects.

In addition, while it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual

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

We may not be successful in obtaining or maintaining necessary rights to product components and processes for our development pipeline through acquisitions and in-licenses.

Presently we have intellectual property rights, through licenses from third parties including vTv Therapeutics, related to REN001. Because our program may require the use of additional proprietary rights held by third parties, the growth of our business will likely depend in part on our ability to acquire, in-license or use these proprietary rights. In addition, REN001 may require specific formulations to work effectively and efficiently and these rights may be held by others. We may be unable to acquire or in-license, on reasonable terms, proprietary rights related to any compositions, formulations, methods of use, processes or other intellectual property rights from third parties that we identify as being necessary for REN001. In such event, we may be required to expend significant time and resources to develop or license replacement technology, which may not be available. Even if we are able to obtain a license to such proprietary rights, it may be non-exclusive, thereby giving our competitors access to the same technologies licensed to us.

The patent protection and patent prosecution for some of our product candidates may be dependent on third parties.

While we normally seek to obtain the right to control prosecution, maintenance and enforcement of the patents relating to our product candidates, there may be times when the filing and prosecution activities for patents and patent applications relating to our product candidates are controlled by our future licensors or collaboration partners. Where we obtain licenses from or collaborate with third parties, we may not have the right to control the preparation, filing, and prosecution of patent applications, or to maintain the patents, covering technology that we license from third parties, or such activities, if controlled by us, may require the input of such third parties. We may also require the cooperation of our licensors and collaborators to enforce any licensed patent rights, and such cooperation may not be provided. Therefore, these patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business, or in compliance with applicable laws and regulations, including by payment of all applicable fees for patents covering our product candidates, which may affect the validity and enforceability of such patents or any patents that may issue from such application. If any of our future licensors or collaboration partners fail to prosecute, maintain and enforce such patents and patent applications in a manner consistent with the best interests of our business, including by payment of all applicable fees for patents covering our product candidates, we could lose our rights to the intellectual property or our exclusivity with respect to those rights, our ability to develop and commercialize those product candidates may be adversely affected and we may not be able to prevent competitors from making, using and selling competing products. In addition, even where we have the right to control patent prosecution of patents and patent applications we have licensed to and from third parties, we may still be adversely affected or prejudiced by actions or inactions of our licensees, our future licensors and their counsel that took place prior to the date upon which we assumed control over patent prosecution.

Moreover, if we do obtain necessary licenses, we will likely have obligations under those licenses, including making royalty and milestone payments, and any failure to satisfy those obligations could give our licensor the right to terminate the license. Termination of a necessary license, or expiration of licensed patents or patent applications, could have a material adverse impact on our business. Our business would suffer if any such licenses terminate, if the licensors fail to abide by the terms of the license, if the licensors fail to enforce licensed patents against infringing third parties, if the licensed patents or other rights are found to be invalid or unenforceable, or if we are unable to enter into necessary licenses on acceptable terms. Furthermore, if any licenses terminate, or if the underlying patents fail to provide the intended exclusivity, competitors or other third parties may gain the freedom to seek regulatory approval of, and to market, products identical or similar to ours. Moreover, our licensors may own or control intellectual property that has not been licensed to us and, as a result, we may be subject to claims, regardless of their merit, that we are infringing or otherwise violating the licensor's rights. In addition, while we cannot currently determine the amount of the royalty obligations we would be required to pay on sales of future products, if any, the amounts may be significant. The amount of our future royalty obligations will depend on the

technology and intellectual property we use in products that we successfully develop and commercialize, if any. Therefore, even if we successfully develop and commercialize products, we may be unable to achieve or maintain profitability.

Our rights to develop and commercialize our technology and product candidates may be subject, in part, to the terms and conditions of licenses granted to us by others.

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

The licensing and acquisition of third-party proprietary rights is a competitive area, and companies, which may be more established, or have greater resources than we do, may also be pursuing strategies to license or acquire third-party proprietary rights that we may consider necessary or attractive in order to commercialize REN001. More established companies may have a competitive advantage over us due to their size, cash resources and greater clinical development and commercialization capabilities.

It is possible that we may be unable to obtain licenses at a reasonable cost or on reasonable terms, if at all. Even if we are able to obtain a license, it may be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. In that event, we may be required to expend significant time and resources to redesign our technology, product candidates, or the methods for manufacturing them or to develop or license replacement technology, all of which may not be feasible on a technical or commercial basis. If we are unable to do so, we may be unable to develop or commercialize the affected product candidates, which could harm our business, financial condition, results of operations, and prospects significantly. We cannot provide any assurances that third-party patents do not exist which might be enforced against our current technology, manufacturing methods, product candidates, or future methods or products resulting in either an injunction prohibiting our manufacture or future sales, or, with respect to our future sales, an obligation on our part to pay royalties and/or other forms of compensation to third parties, which could be significant.

In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us, either on reasonable terms, or at all. We also may be unable to license or acquire third-party intellectual property rights on terms that would allow us to make an appropriate return on our investment, or at all. If we are unable to successfully obtain rights to required third-party intellectual property rights on commercially reasonable terms, our ability to commercialize our products, and our business, financial condition, and prospects for growth, could suffer.

We may enter into license agreements in the future with others to advance our existing or future research or allow commercialization of our existing or future product candidates. These licenses may not provide exclusive rights to use such intellectual property and technology in all relevant fields of use and in all territories in which we may wish to develop or commercialize our technology and products in the future.

For example, we may collaborate with U.S. and foreign academic institutions to accelerate our preclinical research or development under written agreements with these institutions. Typically, these institutions provide us with an option to negotiate an exclusive license to any of the institution's proprietary rights in technology resulting from the collaboration. Regardless of such option to negotiate a license, we may be unable to negotiate a license within the specified time frame or under terms that are acceptable to us. If we are unable to do so, the institution may offer, on an exclusive basis, their proprietary rights to other parties, potentially blocking our ability to pursue our program.

In addition, subject to the terms of any such license agreements, we may not have the right to control the preparation, filing, prosecution, maintenance, enforcement, and defense of patents and patent applications covering the technology that we license from third parties. In such an event, we cannot be certain that these patents and patent applications will be prepared, filed, prosecuted, maintained, enforced, and defended in a manner consistent

with the best interests of our business. If our future licensors fail to prosecute, maintain, enforce, and defend such patents or patent applications, or lose rights to those patents or patent applications, the rights we have licensed may be reduced or eliminated, and our right to develop and commercialize any of our future product candidates that are subject of such licensed rights could be adversely affected.

Our future licensors may rely on third-party consultants or collaborators or on funds from third parties such that our future licensors are not the sole and exclusive owners of the patents we in-license. If other third parties have ownership rights to our future in-licensed patents, they may be able to license such patents to our competitors, and our competitors could market competing products and technology. This could have a material adverse effect on our competitive position, business, financial conditions, results of operations, and prospects.

If we fail to comply with our obligations in the agreements under which we license intellectual property rights from third parties, such as our license agreement with vTv Therapeutics, or otherwise experience disruptions to our business relationships with our licensors, we could lose license rights that are important to our business.

We are a party to a license agreement with vTv Therapeutics under which we are granted intellectual property rights that are important to our business and our only product candidate, REN001. If we fail to comply with our obligations under the license agreement, or we are subject to insolvency, the license agreement may be terminated, in which event we would not be able to develop, commercialize or market REN001. See "Business—License Agreement with vTv Therapeutics LLC" for a description of our license agreement with vTv Therapeutics.

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

In spite of our best efforts, our current and future licensor(s) might conclude that we materially breached our license agreements and might therefore terminate the license agreements, thereby removing our ability to develop and commercialize products and technology covered by these license agreements. If these in-licenses are terminated, or if the underlying patents fail to provide the intended exclusivity, competitors would have the freedom to seek regulatory approval of, and to market, products identical to ours. This could have a material adverse effect on our competitive position, business, financial conditions, results of operations, and prospects.

Disputes may arise between us and our licensors regarding intellectual property rights subject to a license agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- whether and the extent to which our technology and processes infringe on intellectual property rights of the licensor that are not subject to the license agreement;
- our right to sublicense intellectual property rights to third parties under collaborative development relationships;
- our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of REN001, and what activities satisfy those diligence obligations; and
- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners.

We are generally also subject to all of the same risks with respect to protection of intellectual property that we license as we are for intellectual property that we own, which are described herein. If we or our licensor fail to adequately protect this intellectual property, our ability to develop, manufacture or commercialize products could suffer.

If disputes over intellectual property rights that we have licensed prevent or impair our ability to maintain our current licensing arrangements on acceptable terms, our business, results of operations, financial condition, and prospects may be adversely affected. We may enter into additional licenses in the future and if we fail to comply with obligations under those agreements, we could suffer adverse consequences.

In the future, we may need to obtain additional licenses of third-party technology that may not be available to us or are available only on commercially unreasonable terms, and which may cause us to operate our business in a more costly or otherwise adverse manner that was not anticipated.

From time to time, we may be required to license technologies relating to our therapeutic research programs from additional third parties to further develop or commercialize our product candidates. Should we be required to obtain licenses to any third-party technology, including any such patents required to manufacture, use or sell our product candidates, such licenses may not be available to us on commercially reasonable terms, or at all. The inability to obtain any third-party license required to develop or commercialize any of our product candidates could cause us to abandon any related efforts, which could seriously harm our business and operations.

Any collaboration arrangements that we may enter into in the future may not be successful, which could adversely affect our ability to develop and commercialize our products.

Any future collaborations that we enter into may not be successful. The success of our collaboration arrangements will depend heavily on the efforts and activities of our collaborators. Collaborations are subject to numerous risks, which may include that:

- collaborators have significant discretion in determining the efforts and resources that they will apply to collaborations;
- collaborators may not pursue development and commercialization of our products or may elect not to continue or renew development or commercialization programs based on trial or test results, changes in their strategic focus due to the acquisition of competitive products, availability of funding, or other external factors, such as a business combination that diverts resources or creates competing priorities;
- collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with REN001 and any future product candidates;
- a collaborator with marketing, manufacturing, and distribution rights to one or more products may not commit sufficient resources to or otherwise not perform satisfactorily in carrying out these activities;
- we could grant exclusive rights to our collaborators that would prevent us from collaborating with others;
- collaborators may not properly maintain or defend our intellectual property rights or may use our intellectual property or proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential liability;
- disputes may arise between us and a collaborator that causes the delay or termination of the research, development, or commercialization of our current or future products or that results in costly litigation or arbitration that diverts management attention and resources;
- collaborations may be terminated, and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable current or future products;
- collaborators may own or co-own intellectual property covering our products that results from our collaborating with them, and in such cases, we would not have the exclusive right to develop or commercialize such intellectual property; and
- a collaborator’s sales and marketing activities or other operations may not be in compliance with applicable laws resulting in civil or criminal proceedings.

Third-party claims alleging intellectual property infringement may prevent or delay our drug discovery and development efforts.

Our success depends in part on our avoiding infringement of the patents and proprietary rights of third parties. However, our research, development and commercialization activities may be subject to claims that we infringe, misappropriate or otherwise violate patents or other intellectual property rights owned or controlled by third parties.

Other entities may have or obtain patents or proprietary rights that could limit our ability to make, use, sell, offer for sale or import our product candidates and products that may be approved in the future, or impair our competitive position. There is a substantial amount of litigation, both within and outside the United States, involving patents and other intellectual property rights in the biotechnology and pharmaceutical industries, as well as administrative proceedings for challenging patents, including inter partes review, post grant review, interference and reexamination proceedings before the USPTO, or oppositions and other comparable proceedings in foreign jurisdictions. The implementation of these procedures brings uncertainty to the possibility of challenges to our patents in the future and the outcome of such challenges. Numerous U.S. and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we are developing REN001.

Litigation or other legal proceedings relating to intellectual property claims, with or without merit, is unpredictable and generally expensive and time consuming and, even if resolved in our favor, is likely to divert significant resources from our core business, including distracting our technical and management personnel from their normal responsibilities, and there may be additional delays in such proceeding due to the ongoing COVID-19 pandemic. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to adequately conduct such litigation or proceedings. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace.

As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that our activities related to REN001 may give rise to claims of infringement of the patent rights of others. The biotechnology and pharmaceutical industries have produced a proliferation of patents, and it is not always clear to industry participants, including us, which patents cover various types of products or methods of use. Identification of third-party patent rights that may be relevant to our operations is difficult because patent searching is imperfect due to differences in terminology among patents, incomplete databases and the difficulty in assessing the meaning of patent claims. We cannot guarantee that any of our patent searches or analyses, including the identification of relevant patents, the scope of patent claims or the expiration of relevant patents, are complete or thorough, nor can we be certain that we have identified each and every third-party patent and pending application in the United States and abroad that is relevant to our research and other operations or necessary for the commercialization of our product candidates in any jurisdiction. We also cannot provide any assurances that third-party patents do not exist which might be enforced against our current technology, including our research programs, product candidates, their respective methods of use, manufacture and formulations thereof, and could result in either an injunction prohibiting our manufacture or future sales, or, with respect to our future sales, an obligation on our part to pay royalties and/or other forms of compensation to third parties, which could be significant. The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform. We cannot assure you that any of our current or future product candidates will not infringe existing or future patents. We may not be aware of patents that have already issued that a third party might assert are infringed by one of our current or future product candidates. Nevertheless, we are not aware of any issued patents that will prevent us from marketing REN001.

Third parties, including our competitors, in both the United States and abroad, many of which have substantially greater resources and have made substantial investments in patent portfolios and competing technologies, may have applied for or obtained or may in the future apply for and obtain, patents that will prevent, limit or otherwise interfere with our ability to make, use and sell our products. We do not always conduct independent reviews of pending patent applications of and patents issued to third parties. Third parties may assert that we are employing their proprietary technology without authorization. There may be third-party patents of which we are currently unaware with claims to materials, formulations, methods of manufacture or methods for treatment related to the use or manufacture of REN001. Because patent applications can take many years to issue and may be confidential for 18 months or more after filing, there may be currently pending third-party patent applications which may later result in issued patents that REN001, any future product candidates, and other proprietary technologies may infringe, or which such third parties claim are infringed by the use of our technologies. Parties making claims against us for infringement or misappropriation of their intellectual property rights may seek and obtain injunctive or other

equitable relief, which could effectively block our ability to further develop and commercialize REN001 or future product candidates. Defense of these claims, regardless of their merit, could involve substantial expenses and could be a substantial diversion of management and other employee resources from our business.

If we collaborate with third parties in the development of technology in the future, our collaborators may not properly maintain or defend our intellectual property rights or may use our proprietary information in such a way as to invite litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to litigation or potential liability. Further, collaborators may infringe the intellectual property rights of third parties, which may expose us to litigation and potential liability. In the future, we may agree to indemnify our commercial collaborators against certain intellectual property infringement claims brought by third parties.

Any claims of patent infringement asserted by third parties would be time-consuming and could:

- result in costly litigation;
- cause negative publicity;
- divert the time and attention of our technical personnel and management;
- cause development delays;
- prevent us from commercializing REN001 or any future product candidates until the asserted patent expires or is finally held invalid, unenforceable, or not infringed in a court of law;
- require us to develop non-infringing technology, which may not be possible on a cost-effective basis;
- require us to pay damages to the party whose intellectual property rights we may be found to be infringing, which may include treble damages if we are found to have been willfully infringing such intellectual property;
- require us to pay the attorney's fees and costs of litigation to the party whose intellectual property rights we may be found to be willfully infringing; and/or
- require us to enter into royalty or license agreements, which may not be available on commercially reasonable terms, or at all, or which might be non-exclusive, which could result in our competitors gaining access to the same technology.

If we are sued for patent infringement, we would need to demonstrate that our products or methods either do not infringe the patent claims of the relevant patent or that the patent claims are invalid or unenforceable, and we may not be able to do either. Proving invalidity or unenforceability is difficult. For example, in the United States, proving invalidity before federal courts requires a showing of clear and convincing evidence to overcome the presumption of validity enjoyed by issued patents. Even if we are successful in these proceedings, we may incur substantial costs and divert management's time and attention in pursuing these proceedings, which could have a material adverse effect on us. If we are unable to avoid infringing the patent rights of others, we may be required to seek a license, which may not be available, defend an infringement action or challenge the validity or enforceability of the patents in court. Patent litigation is costly and time-consuming. We may not have sufficient resources to bring these actions to a successful conclusion. In addition, if we do not obtain a license, develop or obtain non-infringing technology, fail to defend an infringement action successfully or have infringed patents declared invalid or unenforceable, we may incur substantial monetary damages, encounter significant delays in bringing REN001 to market and be precluded from developing, manufacturing or selling REN001.

We do not always conduct independent reviews of pending patent applications of and patents issued to third parties. We cannot be certain that any of our or our licensors' patent searches or analyses, including but not limited to the identification of relevant patents, analysis of the scope of relevant patent claims or determination of the expiration of relevant patents, are complete or thorough, nor can we be certain that we have identified each and every third-party patent and pending application in the United States, Europe and elsewhere that is relevant to or necessary for the commercialization of our product candidates in any jurisdiction, because:

- some patent applications in the United States may be maintained in secrecy until the patents are issued;
- patent applications in the United States and elsewhere can be pending for many years before issuance, or unintentionally abandoned patents or applications can be revived;

- pending patent applications that have been published can, subject to certain limitations, be later amended in a manner that could cover our technologies, REN001, and any future product candidates or the use of REN001 and any future product candidates;
- identification of third-party patent rights that may be relevant to our technology is difficult because patent searching is imperfect due to differences in terminology among patents, incomplete databases, and the difficulty in assessing the meaning of patent claims;
- patent applications in the United States are typically not published until 18 months after the priority date; and
- publications in the scientific literature often lag behind actual discoveries.

Furthermore, the scope of a patent claim is determined by an interpretation of the law, the written disclosure in a patent and the patent's prosecution history and can involve other factors such as expert opinion. Our interpretation of the relevance or the scope of claims in a patent or a pending application may be incorrect, which may negatively impact our ability to market our products. Further, we may incorrectly determine that our technologies, products, or product candidates are not covered by a third-party patent or may incorrectly predict whether a third party's pending patent application will issue with claims of relevant scope. Our determination of the expiration date of any patent in the United States or internationally that we consider relevant may be incorrect, which may negatively impact our ability to develop and market our products or product candidates. Furthermore, we cannot guarantee that any of our patent searches or analyses, including the identification of relevant patents, the scope of patent claims or the expiration of relevant patents, are complete or thorough, nor can we be certain that we have identified each and every third-party patent and pending application in the United States and abroad that is relevant to or necessary for the commercialization of our product candidates in any jurisdiction.

Our competitors may have filed, and may in the future file, patent applications covering technology similar to ours, and others may have or obtain patents or proprietary rights that could limit our ability to make, use, sell, offer for sale or import REN001 and future approved products or impair our competitive position. Numerous third-party U.S. and foreign issued patents and pending patent applications exist in the fields in which we are developing product candidates. There may be third-party patents or patent applications with claims to materials, formulations, methods of manufacture or methods for treatment related to the use or manufacture of REN001. Any such patent application may have priority over our patent applications, which could further require us to obtain rights to issued patents covering such technologies. If another party has filed a U.S. patent application on inventions similar to ours, we may have to participate in an interference proceeding declared by the USPTO to determine priority of invention in the United States. The costs of these proceedings could be substantial, and it is possible that such efforts would be unsuccessful if, unbeknownst to us, the other party had independently arrived at the same or similar invention prior to our own invention, resulting in a loss of our U.S. patent position with respect to such inventions. Other countries have similar laws that permit secrecy of patent applications and may be entitled to priority over our applications in such jurisdictions.

Some third parties making claims against us may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation or administrative proceedings, there is a risk that some of our confidential information could be compromised by disclosure. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our business, results of operations, financial condition and prospects.

If we are found to infringe a third party's intellectual property rights, we could be forced, including by court order, to cease developing, manufacturing or commercializing the infringing product candidate or product, we may have to pay substantial damages, including treble damages and attorneys' fees if we are found to be willfully infringing a third party's patents, obtain one or more licenses from third parties, pay royalties or redesign our infringing products, which may be impossible or require substantial time and monetary expenditure.

We cannot predict whether any such license would be available at all or whether it would be available on commercially reasonable terms. Furthermore, even in the absence of litigation, we may need to obtain licenses from third parties to advance our research or allow commercialization of REN001. We may fail to obtain any of these

licenses at a reasonable cost or on reasonable terms, if at all. In that event, we would be unable to further develop and commercialize REN001, which could harm our business significantly. Even if we were able to obtain a license, the rights may be nonexclusive, which may give our competitors access to the same intellectual property.

Although no third party has asserted a claim of patent infringement against us as of the date of this prospectus, others may hold proprietary rights that could prevent our product candidates from being marketed. It is possible that a third party may assert a claim of patent infringement directed at any of our product candidates. Any patent-related legal action against us claiming damages and seeking to enjoin commercial activities relating to our product candidates, treatment indications, or processes could subject us to significant liability for damages, including treble damages if we were determined to willfully infringe, and require us to obtain a license to manufacture or market our product candidates. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business. We cannot predict whether we would prevail in any such actions or that any license required under any of these patents would be made available on commercially acceptable terms, if at all. Moreover, even if we or our future strategic partners were able to obtain a license, the rights may be nonexclusive, which could result in our competitors gaining access to the same intellectual property. In addition, we cannot be certain that we could redesign our product candidates, treatment indications, or processes to avoid infringement, if necessary. Accordingly, an adverse determination in a judicial or administrative proceeding, or the failure to obtain necessary licenses, could prevent us from developing and commercializing our product candidates, which could harm our business, financial condition and operating results. In addition, intellectual property litigation, regardless of its outcome, may cause negative publicity and could prohibit us from marketing or otherwise commercializing our product candidates and technology.

We may be involved in lawsuits to protect or enforce our patents or the patents of our licensors, which could be expensive, time-consuming, and unsuccessful. Further, our issued patents could be found invalid or unenforceable if challenged in court, and we may incur substantial costs as a result of litigation or other proceedings relating to patent and other intellectual property rights.

Third parties including competitors may infringe, misappropriate or otherwise violate our patents, patents that may issue to us in the future, or the patents of our licensors that are licensed to us. To stop or prevent infringement or unauthorized use, we may need to or choose to file infringement claims, which can be expensive and time-consuming. We may not be able to stop or prevent, alone or with our licensors, infringement, misappropriation, or other violation of our intellectual property, particularly in countries where the laws may not protect those rights as fully as in the United States.

If we choose to go to court to stop another party from using the inventions claimed in our patents, a court may decide that a patent we own or in-license is not valid, is unenforceable and/or is not infringed by that third party for any number of reasons. In patent litigation in the United States, defendant counterclaims alleging invalidity and/or unenforceability are commonplace. Grounds for a validity challenge include an alleged failure to meet any of several statutory requirements for patentability, including lack of novelty, obviousness, obviousness-type double patenting, lack of written description, indefiniteness, or non-enablement. Grounds for an unenforceability assertion could include an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO or made a misleading statement during prosecution, i.e., committed inequitable conduct. Third parties may also raise similar claims before the USPTO, even outside the context of litigation, including re-examination, PGR, IPR, and derivation proceedings. Similar mechanisms for challenging the validity and enforceability of a patent exist in foreign patent offices and courts and may result in the revocation, cancellation, or amendment of any foreign patents we or our licensors hold now or in the future. The outcome following legal assertions of invalidity and unenforceability is unpredictable, and prior art could render our patents or those of our licensors invalid. If a defendant were to prevail on a legal assertion of invalidity and/or unenforceability, we would lose at least part, and perhaps all, of the patent protection on such product candidate. Such a loss of patent protection would have a material adverse impact on our business. There is also a risk that, even if the validity of our patents is upheld, the court will decide that we do not have the right to stop the other party from using the invention at issue on the grounds that our patent claims do not cover such invention, or decide that the other party's use of our patented technology falls under the safe harbor to patent infringement under 35 U.S.C. §271(e)(1).

With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art, of which we, our future licensors, and the patent examiners are unaware during prosecution. There is also no assurance that there is not prior art of which we are aware, but which we do not believe affects the validity or enforceability of a claim in our patents and patent applications or the patents and patent applications of our future licensors, which may, nonetheless, ultimately be found to affect the validity or enforceability of a claim. If a third party were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the patent protection on our technology or platform, or any product candidates that we may develop. Such a loss of patent protection would have a material adverse impact on our business, financial condition, results of operations and prospects.

Interference or derivation proceedings provoked by third parties or brought by us or declared by the USPTO may be necessary to determine the priority of inventions with respect to our patents or patent applications or those of our licensors. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms or at all, or if a non-exclusive license is offered and our competitors gain access to the same technology. Our defense of litigation or interference proceedings may fail and, even if successful, may result in substantial costs and distract our management and other employees. In addition, the uncertainties associated with litigation could have a material adverse effect on our ability to raise the funds necessary to continue our clinical trials, continue our research programs, license necessary technology from third parties, or enter into development or manufacturing partnerships that would help us bring REN001 and any future product candidates to market.

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

Our ability to enforce our patent rights depends on our ability to detect infringement. It may be difficult to detect infringers who do not advertise the components or methods that are used in connection with their products and services. Moreover, it may be difficult or impossible to obtain evidence of infringement in a competitor’s or potential competitor’s product or service. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded if we were to prevail may not be commercially meaningful.

In addition, if the breadth or strength of protection provided by our patents and patent applications or the patents and patent applications of our future licensors is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future product candidates.

In addition, the issuance of a patent does not give us the right to practice the patented invention. Third parties may have blocking patents that could prevent us from marketing our own patented product and practicing our own patented technology.

Because of the expense and uncertainty of litigation, we may not be in a position to enforce our intellectual property rights against third parties.

Because of the expense and uncertainty of litigation, we may not be in a position to enforce our intellectual property rights against third parties and we may conclude that even if a third party is infringing our issued patent, any patents that may be issued as a result of our pending or future patent applications or other intellectual property rights, the risk-adjusted cost of bringing and enforcing such a claim or action may be too high or not in the best interest of our

company or our stockholders. In addition, the uncertainties associated with litigation could compromise our ability to raise the funds necessary to continue our clinical trials, continue our internal research programs, in-license needed technology or other product candidates, or enter into development partnerships that would help us bring our product candidates to market. In such cases, we may decide that the more prudent course of action is to simply monitor the situation or initiate or seek some other non-litigious action or solution.

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

We rely on trade secrets, including unpatented know-how, technology and other proprietary information, to protect our proprietary technologies and maintain our competitive position, especially where we do not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. We rely in part on confidentiality agreements with our employees, outside scientific collaborators, CROs, third-party manufacturers, consultants, advisors, potential partners, and other third parties, to protect our trade secrets and other proprietary information. In addition to contractual measures, we try to protect the confidential nature of our trade secrets and other proprietary information using commonly accepted physical and technological security measures. Despite these efforts, we cannot provide any assurances that all such agreements have been duly executed, and these agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. In addition, others may independently discover our trade secrets and proprietary information. For example, the FDA, as part of its Transparency Initiative, is currently considering whether to make additional information publicly available on a routine basis, including information that we may consider to be trade secrets or other proprietary information, and it is not clear at the present time how the FDA's disclosure policies may change in the future, if at all. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect our competitive business position.

In addition, such commonly accepted physical and technological security measures may not provide adequate protection for our proprietary information, for example, in the case of misappropriation of a trade secret by an employee, consultant, advisor, or other third party with authorized access. Our security measures may not prevent an employee, outside scientific collaborator, CRO, third-party manufacturer, consultant, advisor, potential partner, and other third party from misappropriating our trade secrets and providing them to a competitor, and recourse we take against such misconduct may not provide an adequate remedy to protect our interests fully. Monitoring unauthorized uses and disclosures is difficult, and we do not know whether the steps we have taken to protect our proprietary technologies will be effective. Unauthorized parties may also attempt to copy or reverse engineer certain aspects of our products that we consider proprietary. Even though we use commonly accepted security measures, the criteria for protection of trade secrets can vary among different jurisdictions. Further, we may need to share our proprietary information, including trade secrets, with our current and future business partners, collaborators, contractors and others located in countries at heightened risk of theft of trade secrets, including through direct intrusion by private parties or foreign actors, and those affiliated with or controlled by state actors.

Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets. Moreover, third parties may still obtain this information or may come upon this or similar information independently, and we would have no right to prevent them from using that technology or information to compete with us. If any of these events occurs or if we otherwise lose protection for our trade secrets, the value of this information may be greatly reduced, and our competitive position would be harmed.

Our reliance on third parties requires us to share our trade secrets, which increases the possibility that a competitor will discover them or that our trade secrets will be misappropriated or disclosed.

Elements of our product candidates, including processes for their preparation and manufacture, may involve proprietary know-how, and other proprietary information that is not covered by patents, and thus for these aspects we may consider trade secrets, including unpatented know-how, and other proprietary information to be our primary intellectual property. Any disclosure, either intentional or unintentional, by our employees, the employees of third parties with whom we share our facilities or outside scientific collaborators, CROs, third-party manufacturers, consultants, advisors, and vendors that we engage to perform research, clinical trials or manufacturing activities, or

misappropriation by third parties (such as through a cybersecurity breach) of our trade secrets or proprietary information could enable competitors to duplicate or surpass our technological achievements, thus eroding our competitive position in our market.

Trade secrets, including unpatented know-how, and other proprietary information, can be difficult to trace, protect and enforce. We require our employees to enter into written employment agreements containing provisions of confidentiality and obligations to assign to us any inventions generated in the course of their employment. We further seek to protect our potential trade secrets, proprietary know-how and information in part, by entering into non-disclosure and confidentiality agreements with parties who are given access to them, such as outside scientific collaborators, CROs, third-party manufacturers, consultants, advisors, and other third parties. With our consultants, advisors, contractors and outside scientific collaborators, these agreements typically include invention assignment obligations. Although we have taken steps to protect our trade secrets and unpatented know-how, we cannot provide any assurances that all such agreements have been duly executed, and any of these parties may breach the agreements and disclose our proprietary information, including our trade secrets and unpatented know-how, and we may not be able to obtain adequate remedies for such breaches. Monitoring unauthorized uses and disclosures is difficult, and we do not know whether the steps we have taken to protect our proprietary technologies will be effective.

Trade secrets may be independently developed by others in a manner that could prevent legal recourse by us. Trade secrets will over time be disseminated within the industry through independent development, the publication of journal articles, and the movement of personnel skilled in the art from company to company or academic to industry scientific positions. Though our agreements with third parties typically restrict the ability of our employees, outside scientific collaborators, CROs, third-party manufacturers, consultants, advisors, potential partners, and other third parties, to publish data potentially relating to our trade secrets, our agreements may contain certain limited publication rights. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent such competitor from using that technology or information to compete with us, which could harm our competitive position. Because from time to time we expect to rely on third parties in the development, manufacture, and distribution of our products and provision of our services, we must, at times, share trade secrets with them. Despite employing the contractual and other security precautions described above, the need to share trade secrets increases the risk that such trade secrets become known by our competitors, are inadvertently incorporated into the technology of others, or are disclosed or used in violation of these agreements. If any of these events occurs or if any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, or if we otherwise lose protection for our trade secrets, the value of this information may be greatly reduced and our competitive position would be harmed and we would have no right to prevent them from using that technology or information to compete with us. If we do not apply for patent protection prior to such publication or if we cannot otherwise maintain the confidentiality of our proprietary technology and other confidential information, then our ability to obtain patent protection or to protect our trade secret information may be jeopardized.

We may be subject to claims that we or our employees, outside scientific collaborators, CROs, third-party manufacturers, consultants, advisors, potential partners, and other third parties have wrongfully used or disclosed alleged confidential information or trade secrets of their former employers.

We have entered into and may enter in the future into non-disclosure and confidentiality agreements to protect the proprietary positions of third parties, such as outside scientific collaborators, CROs, third-party manufacturers, consultants, advisors, potential partners, and other third parties. We may become subject to litigation where a third party asserts that we or our employees inadvertently or otherwise breached the agreements and used or disclosed trade secrets or other information proprietary to the third parties. We may also be subject to claims that we have wrongfully hired an employee from a competitor. Defense of such matters, regardless of their merit, could involve substantial litigation expense and be a substantial diversion of employee resources from our business. We cannot predict whether we would prevail in any such actions. Moreover, intellectual property litigation, regardless of its outcome, may cause negative publicity and could prohibit us from marketing or otherwise commercializing our product candidates and technology. Failure to defend against any such claim could subject us to significant liability for monetary damages or prevent or delay our developmental and commercialization efforts, which could adversely affect our business. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to our management team and other employees.

Parties making claims against us may be able to sustain the costs of complex intellectual property litigation more effectively than we can because they have substantially greater resources. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise additional funds or otherwise have a material adverse effect on our business, operating results, financial condition and prospects.

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

Our current or future trademarks or trade names may be unable to be obtained, challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition among potential partners or customers in our markets of interest. At times, competitors may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. During trademark registration proceedings, we may receive rejections of our applications by the USPTO or in other foreign jurisdictions. Although we would be given an opportunity to respond to those rejections, we may be unable to overcome such rejections. In addition, in the USPTO and in comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and to seek to cancel registered trademarks. Opposition or cancellation proceedings may be filed against our trademarks, and our trademarks may not survive such proceedings. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business may be adversely affected. We may license our trademarks and trade names to third parties, such as distributors. Though these license agreements may provide guidelines for how our trademarks and trade names may be used, a breach of these agreements or misuse of our trademarks and tradenames by our licensees may jeopardize our rights in or diminish the goodwill associated with our trademarks and trade names. Our efforts to enforce or protect our proprietary rights related to trademarks, trade names, trade secrets, domain names, copyrights, or other intellectual property may be ineffective and could result in substantial costs and diversion of resources and could adversely affect our financial condition or results of operations.

Moreover, any name we have proposed to use with REN001 in the United States must be approved by the FDA, regardless of whether we have registered it, or applied to register it, as a trademark. The FDA typically conducts a review of proposed product names, including an evaluation of potential for confusion with other product names. If the FDA (or an equivalent administrative body in a foreign jurisdiction) objects to any of our proposed proprietary product names, it may be required to expend significant additional resources in an effort to identify a suitable substitute name that would qualify under applicable trademark laws, not infringe the existing rights of third parties, and be acceptable to the FDA. Similar requirements exist in Europe. Furthermore, in many countries, owning and maintaining a trademark registration may not provide an adequate defense against a subsequent infringement claim asserted by the owner of a senior trademark. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. If we assert trademark infringement claims, a court may determine that the marks we have asserted are invalid or unenforceable, or that the party against whom we have asserted trademark infringement has superior rights to the marks in question. In this case, we could ultimately be forced to cease use of such trademarks.

Risks Related to This Offering and Ownership of Our Common Stock

We do not know whether an active, liquid and orderly trading market will develop for our common stock or what the market price of our common stock will be and as a result it may be difficult for you to sell your shares of our common stock.

Prior to this offering there has been no public market for shares of our common stock. Although our common stock has been approved for listing on the Nasdaq Global Market (Nasdaq) an active trading market for our shares may never develop or be sustained following this offering. You may not be able to sell your shares quickly or at the market price if trading in shares of our common stock is not active. The initial public offering price for our common stock was determined through negotiations with the underwriters, and the negotiated price may not be indicative of the

market price of our common stock after the offering. As a result of these and other factors, you may be unable to resell your shares of our common stock at or above the initial public offering price. Further, an inactive market may also impair our ability to raise capital by selling shares of our common stock and may impair our ability to enter into strategic partnerships or acquire companies or products by using our shares of common stock as consideration.

The price of our stock may be volatile, and you could lose all or part of your investment.

The trading price of our common stock following this offering is likely to be highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control, including limited trading volume. In addition to the factors discussed in this "Risk Factors" section and elsewhere in this prospectus, these factors include:

- the commencement, enrollment or results of our ongoing and planned clinical trials of REN001 or any future clinical trials we may conduct for any future product candidates, or changes in the development status of REN001 or any future product candidates;
- acceptance by the FDA and EMA of data from our Phase 2b clinical trial or any future clinical trials we conduct;
- any delay in our regulatory filings for REN001 and any future product candidates;
- adverse results or delays in clinical trials or preclinical studies;
- our decision to initiate a clinical trial, not to initiate a clinical trial, or to terminate an existing clinical trial;
- adverse regulatory decisions, including failure to receive regulatory approval for REN001 and any future product candidates;
- changes in laws or regulations applicable to REN001 and any future product candidates, including but not limited to clinical trial requirements for approvals;
- our failure to commercialize REN001 and any future product candidates;
- the failure to obtain coverage and adequate reimbursement of REN001 and any future product candidates, if approved;
- changes in the structure of healthcare payment systems;
- adverse developments concerning our manufacturers;
- our inability to obtain adequate product supply for any approved drug product or inability to do so at acceptable prices;
- additions or departures of key scientific or management personnel;
- unanticipated serious safety concerns related to the use of REN001 and any future product candidates;
- introduction of new products or services offered by us or our competitors, or the release or publication of clinical trial results from competing product candidates;
- announcements of significant acquisitions, strategic partnerships, joint ventures or capital commitments by us or our competitors;
- the size and growth, if any, of the markets for patients with PMM, LC-FAOD and McArdle disease, and other rare genetic mitochondrial diseases that we may target;
- publication of research reports about us or our industry or positive or negative recommendations or withdrawal of research coverage by securities analysts;
- developments with respect to our intellectual property rights;
- our commencement of, or involvement in, litigation; and
- general political and economic conditions, including the COVID-19 pandemic.

In addition, the stock market in general, and pharmaceutical companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. Broad market and industry factors may negatively affect the market price of our common stock, regardless of our actual operating performance. If the market price of our common stock after this offering does not exceed the initial public offering price, you may not realize any return on your investment in us and may lose some or all of your investment.

We could be subject to securities class action litigation.

In the past, securities class action litigation has often been brought against a company following a decline in the market price of its securities. This risk is especially relevant for us because pharmaceutical companies have experienced significant stock price volatility in recent years. If we face such litigation, it could result in substantial costs and a diversion of management's attention and resources, which could harm our business.

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

Prior to this offering, our executive officers, directors, greater than 5% holders, and their affiliates beneficially owned approximately 76.3% of our voting stock as of December 31, 2020, and, upon the closing of this offering, that same group will hold approximately % of our outstanding voting stock (assuming no exercise of the underwriters' option to purchase additional shares and no purchases by such holders in this offering). In addition, if any of our executive officers, directors and greater than 5% stockholders purchase shares in this offering, or if any of our other current investors purchase shares in this offering and become greater than 5% stockholders as a result, the ability of such persons, acting together, to control or significantly influence such matters may increase. Therefore, even after this offering, these stockholders will have the ability to influence us through this ownership position. These stockholders may be able to determine all matters requiring stockholder approval. For example, these stockholders may be able to control elections of directors, amendments of our organizational documents, or approval of any merger, sale of assets, or other major corporate transaction. This may prevent or discourage unsolicited acquisition proposals or offers for our common stock that you may feel are in your best interest as one of our stockholders.

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

We may seek additional capital through a combination of public or private equity offerings or debt financings, credit or loan facilities, collaborations, strategic alliances, licensing arrangements or a combination of one or more of these funding sources. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a stockholder. The incurrence of indebtedness would result in increased fixed payment obligations and could involve certain restrictive covenants, such as limitations on our ability to incur additional debt, limitations on our ability to acquire or license intellectual property rights, and other operating restrictions that could adversely impact our ability to conduct our business. If we raise additional funds through strategic partnerships and alliances and licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies or current or future product candidates, or grant licenses on terms unfavorable to us.

If you purchase our common stock in this offering, you will incur immediate and substantial dilution in the book value of your shares.

The initial public offering price is substantially higher than the net tangible book value per share of our common stock. Investors purchasing common stock in this offering will pay a price per share that substantially exceeds the book value of our tangible assets after subtracting our liabilities. As a result, investors purchasing common stock in this offering will incur immediate dilution of $ per share, based on the assumed initial public offering price of $ per share and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Further, investors purchasing common stock in this offering will contribute approximately % of the total amount invested by stockholders since our inception, but will own only approximately % of the shares of common stock outstanding after giving effect to this offering.

This dilution is due to our investors who purchased shares prior to this offering having paid substantially less when they purchased their shares than the price offered to the public in this offering and the exercise of stock options granted to our employees. To the extent outstanding options are exercised, there will be further dilution to new investors. As a result of the dilution to investors purchasing shares in this offering, investors may receive significantly less than the purchase price paid in this offering, if anything, in the event of our liquidation. For a further description of the dilution that you will experience immediately after this offering, see the section titled "Dilution."

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

Our management will have broad discretion in the application of the net proceeds from this offering, including for any of the purposes described in the section titled "Use of Proceeds," and you will not have the opportunity as part of your investment decision to assess whether the net proceeds are being used appropriately. Because of the number and variability of factors that will determine our use of the net proceeds from this offering, their ultimate use may vary substantially from their currently intended use. Our management might not apply our net proceeds in ways that ultimately increase the value of your investment. We intend to use the net proceeds from this offering, together with our existing cash and cash equivalents, to fund the clinical development of REN001, for commercial readiness preparations, for other research and development activities, and for working capital and general corporate purposes. We may also use a portion of the remaining net proceeds we receive from this offering, together with our existing cash and cash equivalents, to in-license, acquire, or invest in complementary businesses, technologies, products, or assets. However, we have no current commitments or obligations to do so. The failure by our management to apply these funds effectively could harm our business. Pending their use, we may invest the net proceeds from this offering in short-term, investment-grade, interest-bearing instruments. These investments may not yield a favorable return to our stockholders. If we do not invest or apply the net proceeds from this offering in ways that enhance stockholder value, we may fail to achieve expected financial results, which could cause our stock price to decline.

We are an emerging growth company and a smaller reporting company, and the reduced reporting requirements applicable to emerging growth companies and smaller reporting companies may make our common stock less attractive to investors.

We are an "emerging growth company" as defined in the JOBS Act. For as long as we continue to be an emerging growth company, we may take advantage of certain exemptions from various public company reporting requirements, including being permitted to provide only two years of audited financial statements, in addition to any required unaudited interim financial statements with correspondingly reduced "Management's Discussion and Analysis of Financial Condition and Results of Operations" disclosure in this prospectus, not being required to have our internal control over financial reporting audited by our independent registered public accounting firm under Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in this prospectus and our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We may take advantage of these exemptions until the last day of the fiscal year ending after the fifth anniversary of this offering or until we are no longer an emerging growth company, whichever is earlier. We will cease to be an emerging growth company prior to the end of such five-year period if certain earlier events occur, including if we become a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, our annual gross revenues exceed $1.07 billion or we issue more than $1.0 billion of non-convertible debt in any three-year period.

Under the JOBS Act, emerging growth companies can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have elected to use this extended transition period under the JOBS Act until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act.

We are also a "smaller reporting company" as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company, which would allow us to take advantage of many of the same exemptions available to emerging growth companies, including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act and reduced disclosure obligations regarding executive compensation. We will be able to take advantage of these scaled disclosures for so long as our voting and non-voting common stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100.0 million during the most recently completed fiscal year and our voting and non-voting common stock held by non-affiliates is less than $700.0 million measured on the last business day of our second fiscal quarter. Investors may find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

If we fail to maintain proper and effective internal controls, our ability to produce accurate financial statements on a timely basis could be impaired.

At the time the registration statement of which this prospectus forms a part is declared effective, we will be subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, and the rules and regulations of Nasdaq. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal controls over financial reporting. Commencing with our fiscal year ending December 31, 2022, we must perform system and process evaluation and testing of our internal controls over financial reporting to allow management to report on the effectiveness of our internal controls over financial reporting in our Form 10-K filing for that year, as required by Section 404 of the Sarbanes-Oxley Act. This will require that we incur substantial additional professional fees and internal costs to expand our accounting and finance functions and that we expend significant management efforts. Prior to this offering, we have never been required to test our internal controls within a specified period, and, as a result, we may experience difficulty in meeting these reporting requirements in a timely manner.

We may discover weaknesses in our system of internal financial and accounting controls and procedures that could result in a material misstatement of our consolidated financial statements. Our internal control over financial reporting will not prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud will be detected.

If we are not able to comply with the requirements of Section 404 of the Sarbanes-Oxley Act in a timely manner, or if we are unable to maintain proper and effective internal controls, we may not be able to produce timely and accurate financial statements. If that were to happen, the market price of our stock could decline and we could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities.

We will incur significant increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives.

As a public company, we will incur significant legal, accounting, and other expenses that we did not incur as a private company. We will be subject to the reporting requirements of the Exchange Act, which will require, among other things, that we file with the SEC annual, quarterly, and current reports with respect to our business and financial condition. In addition, the Sarbanes-Oxley Act, as well as rules subsequently adopted by the SEC and Nasdaq to implement provisions of the Sarbanes-Oxley Act, impose significant requirements on public companies, including requiring establishment and maintenance of effective disclosure and financial controls and changes in corporate governance practices. Further, in July 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) was enacted. There are significant corporate governance and executive compensation related provisions in the Dodd-Frank Act that require the SEC to adopt additional rules and regulations in these areas such as "say on pay" and proxy access. Emerging growth companies and smaller reporting companies are exempted from certain of these requirements, but we may be required to implement these requirements sooner than budgeted or planned and thereby incur unexpected expenses. Stockholder activism, the current political environment and the current high level of government intervention and regulatory reform may lead to substantial new regulations and disclosure obligations, which may lead to additional compliance costs and impact the manner in which we operate our business in ways we cannot currently anticipate.

We expect the rules and regulations applicable to public companies to substantially increase our legal and financial compliance costs and to make some activities more time-consuming and costly. If these requirements divert the attention of our management and personnel from other business concerns, they could have a material adverse effect on our business, financial condition, results of operations and prospects. The increased costs will decrease our net income or increase our consolidated net loss, and may require us to reduce costs in other areas of our business or increase the prices of our products or services. For example, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance and we may be required to incur substantial costs to maintain the same or similar coverage. We cannot predict or estimate the amount or timing of additional costs we may incur to respond to these requirements. The impact of these requirements could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as executive officers.

Sales of a substantial number of shares of our common stock by our existing stockholders in the public market could cause our stock price to fall.

If our existing stockholders sell, or indicate an intention to sell, substantial amounts of our common stock in the public market after the lock-up and other legal restrictions on resale discussed in this prospectus lapse, the trading price of our common stock could decline. Upon the closing of this offering, we will have outstanding a total of shares of common stock. Of these shares, only the shares of common stock sold in this offering by us, other than to our affiliates plus any shares sold upon exercise of the underwriters' option to purchase additional shares, will be freely tradable without restriction in the public market immediately following this offering.

We expect that the lock-up agreements pertaining to this offering will expire 180 days from the date of this prospectus. After the lock-up agreements expire, up to an additional shares of common stock will be eligible for sale in the public market, of which shares are held by directors, executive officers, and other affiliates and will be subject to volume limitations under Rule 144 under the Securities Act of 1933, as amended (the Securities Act). In addition, shares of common stock that are either subject to outstanding options or reserved for future issuance under our employee benefit plans will become eligible for sale in the public market to the extent permitted by the provisions of various vesting schedules, the lock-up agreements, and Rule 144 and Rule 701 under the Securities Act. If these additional shares of common stock are sold, or if it is perceived that they will be sold, in the public market, the trading price of our common stock could decline.

After this offering, the holders of shares of our common stock will be entitled to rights with respect to the registration of their shares under the Securities Act, subject to the 180-day lock-up agreements described above. See the section titled "Description of Capital Stock—Registration Rights." Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act, except for shares held by affiliates, as defined in Rule 144 under the Securities Act. Any sales of securities by these stockholders could have a material adverse effect on the trading price of our common stock.

Participation in this offering by our directors, officers or affiliates would reduce the available public float of our shares.

If any of our directors, officers or affiliates purchase shares in this offering, such purchases would reduce the available public float of our common stock because such purchasers would be restricted from selling such shares during the 180-day period following this offering and thereafter would be subject to volume limitations pursuant to restrictions under applicable securities laws. As a result, any purchase of shares by our directors, officers or affiliates in this offering will reduce the liquidity of our common stock relative to what it would have been had these shares been purchased by investors that were not directors, officers or our affiliates.

Future sales and issuances of our common stock or rights to purchase common stock, including pursuant to our equity incentive plans, could result in additional dilution of the percentage ownership of our stockholders and could cause our stock price to fall.

We expect that we will need significant additional capital in the future to continue our planned operations, including conducting clinical trials, commercialization efforts, expanded research and development activities, and costs associated with operating a public company. To raise capital, we may sell common stock, convertible securities or other equity securities in one or more transactions at prices and in a manner we determine from time to time. If we sell common stock, convertible securities or other equity securities, investors may be materially diluted by subsequent sales. Such sales may also result in material dilution to our existing stockholders, and new investors could gain rights, preferences and privileges senior to the holders of our common stock, including shares of common stock sold in this offering.

Pursuant to our 2021 Plan, our management is authorized to grant stock options to our employees, directors and consultants. Additionally, the number of shares of our common stock reserved for issuance under our 2021 Plan will automatically increase on January 1 of each year, beginning on January 1, 2022 (assuming the 2021 Plan becomes effective before such date) and continuing through and including January 1, 2031, by % of the total number of shares of our capital stock outstanding on December 31 of the preceding calendar year, or a lesser number of shares determined by our board of directors. In addition, pursuant to our ESPP, the number of shares of our common stock reserved for issuance will automatically increase on January 1 of each calendar year, beginning on January 1, 2022

(assuming the ESPP becomes effective before such date) through January 1, 2031, by the lesser of (i) % of the total number of shares of our common stock outstanding on the last day of the calendar month before the date of the automatic increase, and (ii) shares; provided that before the date of any such increase, our board of directors may determine that such increase will be less than the amount set forth in clauses (i) and (ii). Unless our board of directors elects not to increase the number of shares available for future grant each year, our stockholders may experience additional dilution, which could cause our stock price to fall.

We do not intend to pay dividends on our common stock so any returns will be limited to the value of our stock.

We have never declared or paid any cash dividend on our common stock. We currently anticipate that we will retain future earnings for the development, operation, and expansion of our business and do not anticipate declaring or paying any cash dividends for the foreseeable future. In addition, future debt instruments may materially restrict our ability to pay dividends on our common stock. Any return to stockholders would therefore be limited to the appreciation, if any, of their stock.

Anti-takeover provisions under our charter documents and Delaware law could delay or prevent a change of control which could limit the market price of our common stock and may prevent or frustrate attempts by our stockholders to replace or remove our current management.

Our amended and restated certificate of incorporation and amended and restated bylaws, which are to become effective in connection with the closing of this offering, contain provisions that could delay or prevent a change of control of our company or changes in our board of directors that our stockholders might consider favorable. Some of these provisions include:

- a board of directors divided into three classes serving staggered three-year terms, such that not all members of the board will be elected at one time;
- a prohibition on stockholder action through written consent, which requires that all stockholder actions be taken at a meeting of our stockholders;
- a requirement that special meetings of stockholders be called only by the chairman of the board of directors, the chief executive officer, the president, or by a majority of the total number of authorized directors;
- advance notice requirements for stockholder proposals and nominations for election to our board of directors;
- a requirement that no member of our board of directors may be removed from office by our stockholders except for cause and, in addition to any other vote required by law, upon the approval of not less than two-thirds of all outstanding shares of our voting stock then entitled to vote in the election of directors;
- a requirement of approval of not less than two-thirds of all outstanding shares of our voting stock to amend any bylaws by stockholder action or to amend specific provisions of our certificate of incorporation; and
- the authority of the board of directors to issue preferred stock on terms determined by the board of directors without stockholder approval and which preferred stock may include rights superior to the rights of the holders of common stock.

In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporate Law, which may prohibit certain business combinations with stockholders owning 15% or more of our outstanding voting stock. These anti-takeover provisions and other provisions in our amended and restated certificate of incorporation and amended and restated bylaws could make it more difficult for stockholders or potential acquirors to obtain control of our board of directors or initiate actions that are opposed by the then-current board of directors and could also delay or impede a merger, tender offer, or proxy contest involving our company. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing or cause us to take other corporate actions you desire. Any delay or prevention of a change of control transaction or changes in our board of directors could cause the market price of our common stock to decline.

Our amended and restated certificate of incorporation and amended and restated bylaws will provide that the Court of Chancery of the State of Delaware will be the exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation and amended and restated bylaws will provide that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (i) any derivative action or proceeding brought on our behalf; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, or other employees to us or our stockholders; (iii) any action or proceeding asserting a claim against us or any of our current or former directors, officers, or other employees, arising out of or pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws; (iv) any action or proceeding to interpret, apply, enforce, or determine the validity of our amended and restated certificate of incorporation or our amended and restated bylaws; (v) any action or proceeding as to which the Delaware General Corporation Law confers jurisdiction to the Court of Chancery of the State of Delaware; and (vi) any action asserting a claim against us or any of our directors, officers, or other employees governed by the internal affairs doctrine, in all cases to the fullest extent permitted by law and subject to the court's having personal jurisdiction over the indispensable parties named as defendants. These provisions would not apply to suits brought to enforce a duty or liability created by the Exchange Act. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation and our amended and restated bylaws will further provide that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. In such instance, we would expect to vigorously assert the validity and enforceability of the exclusive forum provisions of our amended and restated certificate of incorporation and our amended and restated bylaws. This may require significant additional costs associated with resolving such action in other jurisdictions and the provisions may not be enforced by a court in those other jurisdictions.

These exclusive forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees and may discourage these types of lawsuits. Furthermore, the enforceability of similar choice of forum provisions in other companies' certificates of incorporation or bylaws has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. If a court were to find either exclusive forum provision contained in our amended and restated certificate of incorporation or amended and restated bylaws to be inapplicable or unenforceable in an action, we may incur further significant additional costs associated with resolving such action in other jurisdictions, all of which could seriously harm our business.

General Risk Factors

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

We are subject to export control and import laws and regulations, including the U.S. Export Administration Regulations, U.S. Customs regulations, and various economic and trade sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Controls, and anti-corruption and anti-money laundering laws and regulations, including the FCPA, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act, and other state and national anti-bribery and anti-money laundering laws in the countries in which we conduct activities. Anti-corruption laws are interpreted broadly and prohibit companies and their employees, agents, clinical research organizations, contractors and other collaborators and partners from

authorizing, promising, offering, providing, soliciting or receiving, directly or indirectly, improper payments or anything else of value to recipients in the public or private sector. We may engage third parties for clinical trials outside of the United States, to sell our products internationally once we enter a commercialization phase, and/or to obtain necessary permits, licenses, patent registrations and other regulatory approvals. We have direct or indirect interactions with officials and employees of government agencies or government-affiliated hospitals, universities and other organizations. We can be held liable for the corrupt or other illegal activities of our employees, agents, clinical research organizations, contractors and other collaborators and partners, even if we do not explicitly authorize or have actual knowledge of such activities. Any violations of the laws and regulations described above may result in substantial civil and criminal fines and penalties, imprisonment, the loss of export or import privileges, debarment, tax reassessments, breach of contract and fraud litigation, reputational harm, and other consequences.

Business disruptions could seriously harm our future revenues and financial condition and increase our costs and expenses.

Our operations, and those of our CROs and other contractors and consultants, could be subject to earthquakes, power shortages, telecommunications failures, water shortages, floods, hurricanes, typhoons, fires, extreme weather conditions, medical epidemics and other natural or man-made disasters or business interruptions, for which we are predominantly self-insured. The occurrence of any of these business disruptions could seriously harm our operations and financial condition and increase our costs and expenses. We rely on third-party manufacturers to produce REN001. Our ability to obtain clinical supplies of REN001 and any future product candidates could be disrupted if the operations of these suppliers are affected by a man-made or natural disaster or other business interruption. Our corporate headquarters is located in California near major earthquake faults and fire zones. The ultimate impact on us, our suppliers and our general infrastructure of being located near major earthquake faults and fire zones and being consolidated in certain geographical areas is unknown, but our operations and financial condition could suffer in the event of a major earthquake, fire or other natural disaster.

Our internal computer systems, or those used by our third-party collaborators or other contractors or consultants, may fail or suffer security breaches.

Despite the implementation of security and back-up measures, our internal computer, server, and other information technology systems as well as those of our third-party collaborators, consultants, contractors, suppliers, and service providers, may be vulnerable to damage from physical or electronic break-ins, computer viruses, malware, ransomware, natural disasters, terrorism, war, telecommunication and electrical failure, denial of service, and other cyberattacks or disruptive incidents that could result in unauthorized access to, use or disclosure of, corruption of, or loss of sensitive, and/or proprietary data, including personal information, including health-related information, and could subject us to significant liabilities and regulatory and enforcement actions, and reputational damage. For example, the loss of clinical trial data from completed or ongoing clinical trials could result in delays in any regulatory approval or clearance efforts and significantly increase our costs to recover or reproduce the data, and subsequently commercialize the product. Additionally, theft of our intellectual property or proprietary business information could require substantial expenditures to remedy. If we or our third-party collaborators, consultants, contractors, suppliers, or service providers were to suffer an attack or breach, for example, that resulted in the unauthorized access to or use or disclosure of personal or health information, we may have to notify consumers, partners, collaborators, government authorities, and the media, and may be subject to investigations, civil penalties, administrative and enforcement actions, and litigation, any of which could harm our business and reputation. Likewise, we rely on third parties to conduct clinical trials, and similar events relating to their computer systems could also have a material adverse effect on our business.
The COVID-19 pandemic has generally increased the risk of cybersecurity intrusions. For example, there has been an increase in phishing and spam emails as well as social engineering attempts from “hackers” hoping to use the recent COVID-19 pandemic to their advantage. To the extent that any disruption or security breach were to result in a loss of, or damage to, our data or systems, or inappropriate or unauthorized access to or disclosure or use of confidential, proprietary, or other sensitive, personal, or health information, we could incur liability and suffer reputational harm, and the development and commercialization of REN001 could be delayed.

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

The trading market for our common stock will depend in part on the research and reports that securities or industry analysts publish about us or our business. Securities and industry analysts do not currently, and may never, publish research on our company. If no securities or industry analysts commence coverage of our company, the trading price for our stock would likely be negatively impacted. In the event securities or industry analysts initiate coverage, if one or more of the analysts who covers us downgrades our stock or publishes inaccurate or unfavorable research about our business, our stock price may decline. If one or more of these analysts ceases coverage of our company or fails to publish reports on us regularly, demand for our stock could decrease, which might cause our stock price and trading volume to decline.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements about us and our industry. All statements other than statements of historical facts contained in this prospectus, including statements regarding our future results of operations and financial position; business strategy; research and development costs; the anticipated timing, costs and conduct of our clinical trials and preclinical studies for our only product candidate, REN001, including the timing and availability of data from such trials; our expectations regarding the potential market size and size of the potential patient populations for REN001, if approved; the impact of COVID-19 on our business; the timing and likelihood of regulatory filings and approvals for REN001; our ability to commercialize REN001, if approved; the pricing and reimbursement of REN001, if approved; the potential benefits of strategic collaborations and our ability to enter into strategic arrangements; the timing and likelihood of success, plans and objectives of management for future operations; the potential to develop future product candidates and future results of anticipated product development efforts; the scope of protection we are able to establish and maintain for intellectual property rights covering REN001, including the projected terms of patent protection; developments and projections relating to our competitors and our industry, including competing products; our expected future financing needs; and expected uses of the net proceeds from this offering, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or other similar expressions. The forward-looking statements in this prospectus are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this prospectus and are subject to a number of risks, uncertainties and assumptions described under the sections titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this prospectus. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified and some of which are beyond our control, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties. Except as required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise. You should, however, review the factors and risks we describe in the reports we will file from time to time with the SEC after the date of this prospectus. See the section titled “Where You Can Find Additional Information.”

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

MARKET, INDUSTRY AND OTHER DATA

We obtained the industry, market, and competitive position data used throughout this prospectus from our own internal estimates and research, as well as from independent market research, industry, and general publications and surveys, governmental agencies, and publicly available information in addition to research, surveys, and studies conducted by third parties. Internal estimates are derived from publicly available information released by industry analysts and third-party sources, our internal research, and our industry experience, and are based on assumptions made by us based on such data and our knowledge of our industry and market, which we believe to be reasonable. In some cases, we do not expressly refer to the sources from which this data is derived. In that regard, when we refer to one or more sources of this type of data in any paragraph, you should assume that other data of this type appearing in the same paragraph is derived from the same sources, unless otherwise expressly stated or the context otherwise requires. In addition, while we believe the industry, market, and competitive position data included in this prospectus is reliable and based on reasonable assumptions, such data involve risks and uncertainties and are subject to change based on various factors, including those discussed in the section titled “Risk Factors.” These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties or by us.

USE OF PROCEEDS

We estimate that we will receive net proceeds from this offering of approximately $ million (or approximately $ million if the underwriters' option to purchase additional shares of our common stock is exercised in full) based on the assumed initial public offering price of $ per share, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions. Similarly, each increase (decrease) of 1.0 million shares in the number of shares of common stock offered by us would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming the assumed initial public offering price of $ per share remains the same, and after deducting estimated underwriting discounts and commissions.

The principal purposes of this offering are to increase our financial flexibility, create a public market for our common stock, and facilitate our future access to capital markets. We currently intend to use the net proceeds from this offering, together with our existing cash and cash equivalents, as follows:

- approximately $ million to fund the research and development of REN001 in PMM, including completion of our global Phase 2b clinical trial of REN001 in patients with PMM and our planned long-term safety trial of REN001 in a subset of patients from the Phase 2b clinical trial;
- approximately $ million to fund the research and development of REN001 in LC-FAOD and McArdle disease, including completion of our two Phase 1b clinical trials of REN001 in patients with LC-FAOD and in patients with McArdle disease; and
- the remaining proceeds for commercial readiness preparations, for other research and development activities, and for working capital and general corporate purposes.

We may also use a portion of the remaining net proceeds and our existing cash and cash equivalents to in-license, acquire, or invest in complementary businesses, technologies, products, or assets. However, we have no current commitments or obligations to do so.

We believe, based on our current operating plan, that the net proceeds from this offering, together with our existing cash and cash equivalents, will be sufficient to fund our operations for at least the next months, including through potential registration of REN001 for PMM in both the United States and Europe assuming positive results from our global Phase 2b clinical trial of REN001 in patients with PMM and our planned long-term safety trial. However, our expected use of proceeds from this offering described above represents our current intentions based on our present plans and business condition. As of the date of this prospectus, we cannot predict with certainty all of the particular uses for the proceeds to be received upon the closing of this offering or the actual amounts that we will spend on the uses set forth above.

The amounts and timing of our actual expenditures will depend on numerous factors, including the time and cost necessary to conduct our clinical trials, the results of our clinical trials and preclinical studies and other factors described in the section titled "Risk Factors" in this prospectus, as well as the amount of cash used in our operations and any unforeseen cash needs. Therefore, our actual expenditures may differ materially from the estimates described above. We may find it necessary or advisable to use the net proceeds for other purposes, and we will have broad discretion in the application of the net proceeds. Pending the use of the net proceeds from this offering as described above, we intend to invest the net proceeds in a variety of capital preservation instruments, including short-term, interest-bearing obligations, investment-grade instruments, certificates of deposit or direct or guaranteed obligations of the U.S. government.

DIVIDEND POLICY

We have never declared or paid cash dividends on our capital stock. We intend to retain all available funds and future earnings, if any, to fund the development and expansion of our business, and we do not anticipate paying any cash dividends in the foreseeable future. In addition, any future debt instruments may materially restrict our ability to pay dividends on our common stock. Any future determination regarding the declaration and payment of dividends, if any, will be at the discretion of our board of directors and will depend on then-existing conditions, including our financial condition, operating results, contractual restrictions, capital requirements, business prospects and other factors our board of directors may deem relevant.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of December 31, 2020:

- on an actual basis;
- on a pro forma basis, giving effect to (i) the conversion of all outstanding shares of our convertible preferred stock into an aggregate of 47,742,986 shares of common stock and the related reclassification of the carrying value of our convertible preferred stock to permanent equity in connection with the closing of this offering and (ii) the filing and effectiveness of our amended and restated certificate of incorporation in connection with the closing of this offering; and
- on a pro forma as adjusted basis, giving effect to (i) the pro forma adjustments set forth above and (ii) our receipt of net proceeds from the sale of shares of common stock in this offering at the assumed initial public offering price of $ per share, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The pro forma as adjusted information below is illustrative only, and our capitalization following the closing of this offering will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing.

You should read this table together with the sections titled “Selected Consolidated Financial Data,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and “Description of Capital Stock” and our consolidated financial statements and related notes included elsewhere in this prospectus.

	AS OF DECEMBER 31, 2020		
	ACTUAL	PRO FORMA	PRO FORMA, AS ADJUSTED[1]
		(unaudited)	
	(in thousands, except share and per share amounts)		
Cash and cash equivalents	$	$	$
Convertible preferred stock, $0.0001 par value; 71,183,500 shares authorized, 47,742,986 shares issued and outstanding, actual, and no shares authorized or outstanding, pro forma and pro forma as adjusted	$	$	$
Stockholders’ equity (deficit):			
Preferred stock, $0.0001 par value; no shares authorized, issued and outstanding, actual, and shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted			
Common stock, $0.0001 par value; 105,000,000 shares authorized, 9,187,111 shares issued and outstanding, actual, shares authorized, shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding, pro forma as adjusted			
Additional paid-in capital			
Accumulated deficit			
Total stockholders’ equity (deficit)	$	$	$
Total capitalization	$	$	$

(1) A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) each of our pro forma as adjusted cash and cash equivalents, additional paid-in capital, total stockholders’ equity (deficit) and total capitalization by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus,

remains the same, and after deducting estimated underwriting discounts and commissions. Similarly, each increase (decrease) of 1.0 million shares in the number of shares common stock offered by us would increase (decrease) each of our pro forma as adjusted cash and cash equivalents, additional paid-in capital, total stockholders' equity (deficit) and total capitalization by approximately $ million, assuming the assumed initial public offering price of $ per share remains the same, and after deducting estimated underwriting discounts and commissions.

The number of shares of our common stock to be outstanding after this offering pro forma and pro forma as adjusted reflected in the table above is based on 56,930,097 shares of common stock outstanding as of December 31, 2020, after giving effect to the conversion of all outstanding shares of our convertible preferred stock into 47,742,986 shares of common stock in connection with the closing of this offering, and excludes:

- 4,186,157 shares of our common stock issuable upon the exercise of outstanding stock options as of December 31, 2020, with a weighted-average exercise price of $0.57 per share;
- 8,784,754 shares of our common stock issuable upon the exercise of outstanding stock options granted in January 2021, with a weighted-average exercise price of $1.09 per share;
- shares of our common stock reserved for future issuance under our 2021 Plan, which will become effective once the registration statement of which this prospectus forms a part is declared effective, as well as any automatic annual increases in the number of shares of common stock reserved for issuance under our 2021 Plan and any shares underlying outstanding stock awards granted under our 2014 Plan that expire or are repurchased, forfeited, cancelled or withheld, as more fully described in the section titled "Executive Compensation—Employee Benefit Plans"; and
- shares of our common stock reserved for issuance under our ESPP, which will become effective once the registration statement of which this prospectus forms a part is declared effective, and any automatic annual increases in the number of shares of common stock reserved for future issuance under our ESPP.

DILUTION

If you invest in our common stock in this offering, your interest will be diluted to the extent of the difference between the initial public offering price per share of common stock and the pro forma as adjusted net tangible book value per share immediately after this offering.

As of December 31, 2020, we had a historical net tangible book value (deficit) of $ million, or $ per share of common stock based on 9,187,111 shares of common stock outstanding as of such date. Our historical net tangible book value (deficit) per share represents total tangible assets less total liabilities and convertible preferred stock, which is not included within permanent equity, divided by the number of shares of common stock outstanding as of December 31, 2020.

Our pro forma net tangible book value as of December 31, 2020 was $ million, or $ per share. Pro forma net tangible book value per share represents the amount of our total tangible assets less our total liabilities, divided by 56,930,097 shares of common stock outstanding as of such date, after giving effect to (i) the conversion of all outstanding shares of our convertible preferred stock into an aggregate of 47,742,986 shares of common stock and the related reclassification of the carrying value of our convertible preferred stock to permanent equity in connection with the closing of this offering, and (ii) the filing and effectiveness of our amended and restated certificate of incorporation in connection with the closing of this offering.

After giving effect to the sale by us of shares of common stock in this offering at the assumed initial public offering price of $ per share, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of December 31, 2020 would have been $ million, or $ per share. This amount represents an immediate increase in pro forma as adjusted net tangible book value of $ per share to our existing stockholders and an immediate dilution in pro forma as adjusted net tangible book value of $ per share to new investors purchasing common stock in this offering. We determine dilution by subtracting the pro forma as adjusted net tangible book value per share after this offering from the amount of cash paid by an investor for a share of common stock in this offering. The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		$
Historical net tangible book value (deficit) per share as of December 31, 2020	$	
Pro forma increase in historical net tangible book value per share attributable to the pro forma transactions described in the preceding paragraphs		
Pro forma net tangible book value per share as of December 31, 2020		
Increase in pro forma net tangible book value per share attributable to investors purchasing shares in this offering		
Pro forma as adjusted net tangible book value per share after this offering		
Dilution per share to new investors purchasing shares in this offering		$

The dilution information discussed above is illustrative only and may change based on the actual initial public offering price and other terms of this offering. A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) our pro forma as adjusted net tangible book value per share after this offering by $ per share and increase (decrease) the dilution to new investors purchasing shares in this offering by $ per share, in each case assuming the number of shares of common stock offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions. Similarly, an increase of 1.0 million shares in the number of shares of common stock offered by us would increase the pro forma as adjusted net tangible book value by $ per share and decrease the dilution per

share to new investors purchasing shares in this offering by $ per share, and a decrease of 1.0 million shares in the number of shares of common stock offered by us would decrease the pro forma as adjusted net tangible book value by $ per share, and increase the dilution per share to new investors purchasing shares in this offering by $ per share, assuming that the assumed initial public offering price of $ per share remains the same and after deducting estimated underwriting discounts and commissions.

If the underwriters exercise their option to purchase additional shares of common stock in full, the pro forma as adjusted net tangible book value per share would be $ per share, and the dilution to new investors in this offering would be $ per share.

The foregoing discussion and table above (other than the historical net tangible book value (deficit) calculation) are based on 56,930,097 shares of common stock outstanding as of December 31, 2020, after giving effect to the conversion of all outstanding shares of our convertible preferred stock into 47,742,986 shares of common stock in connection with the closing of this offering, and excludes:

- 4,186,157 shares of our common stock issuable upon the exercise of outstanding stock options as of December 31, 2020, with a weighted-average exercise price of $0.57 per share;
- 8,784,754 shares of our common stock issuable upon the exercise of outstanding stock options granted in January 2021, with a weighted-average exercise price of $1.09 per share;
- shares of our common stock reserved for future issuance under our 2021 Plan, which will become effective once the registration statement of which this prospectus forms a part is declared effective, as well as any automatic annual increases in the number of shares of common stock reserved for issuance under our 2021 Plan and any shares underlying outstanding stock awards granted under our 2014 Plan that expire or are repurchased, forfeited, cancelled or withheld, as more fully described in the section titled “Executive Compensation—Employee Benefit Plans”; and
- shares of our common stock reserved for issuance under our ESPP, which will become effective once the registration statement of which this prospectus forms a part is declared effective, and any automatic annual increases in the number of shares of common stock reserved for future issuance under our ESPP.

To the extent that any outstanding options are exercised or new options or other equity awards are issued under our stock-based compensation plans, or we issue additional shares of common stock in the future, there will be further dilution to investors participating in this offering.

SELECTED CONSOLIDATED FINANCIAL DATA

The following tables set forth our selected consolidated financial data for the periods and as of the dates indicated. We derived our consolidated statements of operations and comprehensive loss data for the years ended December 31, 2019 and December 31, 2020 and our consolidated balance sheets data as of December 31, 2019 and December 31, 2020 from our audited consolidated financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected in the future. You should read the following selected consolidated financial data in conjunction with our consolidated financial statements and related notes included elsewhere in this prospectus and the information in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Consolidated Statements of Operations and Comprehensive Loss Data:	YEAR ENDED DECEMBER 31,	
	2019	2020
	(in thousands, except share and per share amounts)	
Operating expenses:		
Research and development	$ 13,097	$
General and administrative	2,376	
Total operating expenses	15,473	
Loss from operations	(15,473)	
Other income:		
Change in fair value of Series A convertible preferred stock purchase right liability	2,581	
Other income	456	
Net loss	$ (12,436)	$
Net loss per share attributable to common stockholders, basic and diluted (1)	$ (1.43)	$
Weighted-average shares of common stock outstanding, basic and diluted (1)	8,717,693	
Pro forma net loss per share, basic and diluted (unaudited)(2)		$
Pro forma weighted-average shares of common stock outstanding, basic and diluted (unaudited) (2)		$

(1) See Note 2 to our audited consolidated financial statements included elsewhere in this prospectus for an explanation of the method used to calculate historical net loss per share, basic and diluted, and the weighted-average number of shares of common stock used in the computation of the per share amounts.

(2) The calculations for the unaudited pro forma net loss per share, basic and diluted, and the pro forma weighted average shares of common stock outstanding, basic and diluted, assume the conversion of all our outstanding shares of convertible preferred stock into shares of our common stock, as if the conversion had occurred at the beginning of the period presented, or the issuance date, if later.

	AS OF DECEMBER 31,	
	2019	2020
	(in thousands)	
Consolidated Balance Sheets Data:		
Cash, cash equivalents and short-term investments	$ 24,887	$
Working capital (1)	22,467	
Total assets	25,505	
Total liabilities	2,980	
Convertible preferred stock	45,652	
Accumulated deficit	(25,493)	
Total stockholders' deficit	(23,127)	

(1) We define working capital as current assets less current liabilities. See our consolidated financial statements included elsewhere in this prospectus for further details regarding our current assets and current liabilities.

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

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

Overview

Reneo is a clinical stage pharmaceutical company focused on the development of therapies for patients with rare genetic mitochondrial diseases, which are often associated with the inability of mitochondria to produce ATP. We are developing REN001 to modulate genes critical to metabolism and generation of ATP, which is the primary source of energy for cellular processes. REN001 is a selective PPARd agonist that has been shown to increase transcription of genes involved in mitochondrial function and increase FAO, and may increase production of new mitochondria.

We believe REN001 could benefit patients with genetic mitochondrial myopathies who experience weakness, fatigue, cramping, and wasting of muscle due to the mitochondria's inability to produce adequate levels of ATP. These patients often struggle to perform everyday activities, and over time, are at risk of experiencing cardiac and multisystem morbidities and have reduced life expectancy.

We are initially developing REN001 in three rare genetic diseases that typically present with myopathy and have high unmet medical needs: PMM, LC-FAOD, and McArdle disease.

We completed a Phase 1b clinical trial in patients with PMM and the preliminary results showed that treatment with REN001 was well tolerated, improved exercise performance and increased oxygen consumption and stamina, as well as improved patient reported symptoms. We initiated a global Phase 2b clinical trial in patients with PMM and plan to begin enrollment in the first half of 2021. We also plan to conduct a long-term safety trial in a subset of patients from the Phase 2b clinical trial. We anticipate results from these trials in 2023. Based on interactions with United States and several European regulatory agencies, we believe that positive results from these clinical trials could support registration of REN001 for PMM in both the United States and in Europe.

We are also conducting two Phase 1b clinical trials of REN001 in patients with LC-FAOD and McArdle disease, respectively. Both Phase 1b clinical trials are currently enrolling, and we anticipate results in the first half of 2022. We also plan to explore the potential of REN001 in other rare diseases, such as Duchenne muscular dystrophy and Alport syndrome, where we have supportive preclinical data.

Since our inception in 2014, our operations have focused on raising capital, establishing and protecting our intellectual property portfolio, organizing and staffing our company, business planning, and conducting preclinical and clinical development of, and manufacturing development for, REN001. We do not have any product candidates approved for sale and have not generated any revenue from product sales, and we do not expect to generate revenues from the commercial sale of our product candidate for at least several years, if ever. Since inception, we have incurred significant operating losses. Our net losses were $12.4 million and $ million for the years ended December 31, 2019 and 2020, respectively. As of December 31, 2020, we had an accumulated deficit of $ million, and cash and cash equivalents of $ million. We have funded our operations primarily through the issuance and sale of equity securities. From our inception through December 31, 2020, we have raised an aggregate of $99.2 million in gross proceeds from the sale of our convertible preferred stock.

We expect to continue to incur net operating losses for at least the next several years, and we expect our research and development expenses, general and administrative expenses, and capital expenditures will continue to increase as we conduct our ongoing and planned clinical trials and preclinical studies, engage in other research and development activities, seek regulatory approvals for any product candidates that successfully complete clinical trials, incur development milestone payments related to our research and development activities, prepare for commercialization, hire additional personnel, protect our intellectual property and incur additional expenses as a result of operating as a public company.

Our net losses may fluctuate significantly from quarter-to-quarter and year-to-year, depending on the timing of our clinical trials and our expenditures on other research and development activities. As a result, we will need to raise additional capital. Until such time as we can generate significant revenue from sales of our product candidate, if ever, we expect to finance our operations through public or private equity offerings or debt financings, credit or loan facilities, collaborations, strategic alliances, licensing arrangements or a combination of one or more of these funding sources. Additional funds may not be available to us on acceptable terms or at all. Our ability to raise additional funds may be adversely impacted by potential worsening global economic conditions and the recent disruptions to, and volatility in, the credit and financial markets in the United States and worldwide resulting from the ongoing COVID-19 pandemic. If we fail to obtain necessary capital when needed on acceptable terms, or at all, it could force us to delay, limit, reduce or terminate our product development programs, commercialization efforts or other operations. Based upon our current operating plan, we believe that the net proceeds from this offering, together with our existing cash and cash equivalents, will enable us to fund our operating expenses and capital expenditure requirements through at least the next months.

We do not own or operate manufacturing facilities. We rely, and expect to continue to rely, on third parties for the manufacture of REN001 for preclinical studies and clinical trials, as well as for commercial manufacture if REN001 obtains marketing approval. We also rely, and expect to continue to rely, on third parties to manufacture, package, label, store, and distribute REN001, if marketing approval is obtained. We believe that this strategy allows us to maintain a more efficient infrastructure by eliminating the need for us to invest in our own manufacturing facilities, equipment, and personnel while also enabling us to focus our expertise and resources on the development of REN001.

COVID-19

The COVID-19 pandemic continues to rapidly evolve, and we will continue to monitor the COVID-19 situation closely. The extent of the impact of the COVID-19 on our business, operations and clinical development timelines and plans remains uncertain, and will depend on certain developments, including the duration and spread of the pandemic and its impact on our clinical trial enrollment, trial sites, CROs, third-party manufacturers, and other third parties with whom we do business, as well as its impact on regulatory authorities and our key scientific and management personnel. For example, our Phase 1b clinical trial was closed early as a result of COVID-19, and we may face future clinical trial disruptions. The ultimate impact of the COVID-19 pandemic or a similar health epidemic is highly uncertain and subject to change. As a result of COVID-19, we have taken precautionary measures in order to minimize the risk of the virus to our employees and the communities in which we operate. Although the majority of our workforce now works remotely, there has been minimal disruption in our ability to ensure the effective operation of our business. We will continue to actively monitor the rapidly evolving situation related to COVID-19 and may take further actions that alter our operations, including those that may be required by federal, state or local authorities, or that we determine are in the best interests of our employees and other third parties with whom we do business. At this point, the extent to which the COVID-19 pandemic may affect our business, operations and clinical development timelines and plans, including the resulting impact on our expenditures and capital needs, remains uncertain.

License Agreement

In December 2017, we entered into a License Agreement with vTv Therapeutics (the vTv License Agreement), under which we obtained an exclusive, worldwide, sublicensable license under certain vTv Therapeutics intellectual property to develop, manufacture and commercialize PPARd agonists and products containing such PPARd agonists, including REN001, for any therapeutic, prophylactic or diagnostic application in humans. Under the terms of the vTv License Agreement, we paid vTv Therapeutics an initial upfront license fee payment of $3.0 million and issued to vTv Therapeutics shares of our common stock. Upon the achievement of certain pre-specified development and regulatory milestones, we are also required to pay vTv Therapeutics up to an aggregate of $64.5 million. We are also required to pay vTv Therapeutics up to $30.0 million in total sales-based milestones upon achievement of certain sales thresholds of the licensed product. In addition, we are obligated to pay vTv Therapeutics tiered royalty payments at mid-single digit to low teen percentage royalty rates, based on tiers of annual net sales of licensed products, subject to certain customary reductions. For additional information regarding the vTv License Agreement, see “Business—License Agreement with vTv Therapeutics LLC.”

Components of Our Results of Operations

Operating Expenses

Research and Development Expenses

To date, our research and development expenses have related primarily to preclinical and clinical development of REN001. Research and development expenses include:

- personnel expenses, including salaries, benefits, and stock-based compensation expense;
- external expenses incurred under agreements with CROs, investigative sites and consultants to conduct and support our preclinical studies and clinical trials;
- laboratory supplies related to manufacturing our product candidate for clinical trials and preclinical studies, including fees paid to third-party manufacturers;
- expenses related to regulatory activities, including filing fees paid to regulatory agencies;
- facility costs including rent, depreciation, and maintenance expenses; and
- fees for maintaining licenses under our third-party licensing agreements.

Research and development expenses are recognized as incurred and payments made prior to the receipt of goods or services to be used in research and development are capitalized until the goods or services are received. Costs for certain activities, such as manufacturing and preclinical studies and clinical trials, are generally recognized based on an evaluation of the progress to completion of specific tasks using information and data provided to us by our vendors and collaborators. We expense amounts paid to acquire licenses associated with products under development when the ultimate recoverability of the amounts paid is uncertain and the technology has no alternative future use when acquired. The following table summarizes our research and development expenses for the years ended December 31, 2019 and 2020:

	YEAR ENDED DECEMBER 31,	
	2019	2020
	(in thousands)	
Nonclinical	$ 2,623	
Contract manufacturing costs	3,411	
Clinical & regulatory	5,750	
Research and development—other	1,313	
Total	$13,097	

We expect our research and development expenses to increase substantially for the foreseeable future as we advance our product candidate into and through clinical trials, continue to conduct preclinical studies and pursue regulatory approval of our product candidate. The process of conducting the necessary clinical research to obtain regulatory approval is costly and time-consuming. The actual probability of success for our product candidate may be affected by a variety of factors including: the safety and efficacy of our product candidate, early clinical data, investment in our clinical program, competition, manufacturing capability and commercial viability. We may never succeed in achieving regulatory approval for our product candidate. As a result of the uncertainties discussed above, at this time, we cannot reasonably estimate or know the nature, timing and estimated costs of the efforts that will be necessary to complete the development of, and obtain regulatory approval for our product candidate. Our research and development costs may vary significantly based on factors such as:

- the scope, rate of progress, expense and results of clinical trials and preclinical studies;
- per patient trial costs;
- the number of trials required for approval;
- the number of sites included in the trials;
- the countries in which the trials are conducted;
- the number of patients that participate in the trials

- uncertainties in patient enrollment or drop out or discontinuation rates, particularly in light of the current COVID-19 pandemic environment;
- potential additional safety monitoring requested by regulatory agencies;
- the duration of patient participation in the trials and follow-up;
- the safety and efficacy of our product candidate;
- the cost and timing of manufacturing our product candidates; and
- the extent to which we establish strategic collaborations or other arrangements.

General and Administrative Expenses

General and administrative expenses consist primarily of personnel expenses, including salaries, benefits, and stock-based compensation expense, for personnel in executive, finance, accounting, compliance and human resource and other administrative functions. General and administrative expense also includes corporate facility costs not otherwise included in research and development expenses, legal fees related to intellectual property and corporate matters, insurance costs and fees for accounting and consulting services.

We expect our general and administrative expenses to increase significantly for the foreseeable future to support continued research and development activities, including our ongoing and planned research and development of our product candidate for multiple indications. We also anticipate incurring additional expenses associated with operating as a public company, including increased expenses related to audit, legal, regulatory, and tax-related services associated with maintaining compliance with the rules and regulations of the SEC and standards applicable to companies listed on a national securities exchange, additional insurance expenses, investor relations activities and other administrative and professional services.

Other Income

Other income consists of interest income on our cash, cash equivalents and short-term investments. It also includes the change in fair value of the Series A convertible preferred stock purchase right liability that is marked-to-market at each measurement period with the change in fair value charged to earnings.

	YEAR ENDED DECEMBER 31,	
	2019	2020
	(in thousands)	
Interest income	$ 456	
Change in fair value of Series A convertible preferred stock purchase right liability	2,581	
Total	$3,037	

Results of Operations

Comparison of Years Ended December 31, 2019 and 2020

The following table summarizes our results of operations for the years ended December 31, 2019 and 2020:

	YEAR ENDED DECEMBER 31,		
	2019	2020	CHANGE
	(in thousands)		
Operating expenses:			
Research and development	$ 13,097	$	$
General and administrative	2,376		
Total operating expenses	15,473		
Loss from operations	(15,473)		
Change in fair value of Series A convertible preferred stock purchase right liability	2,581		
Other income	456		
Net loss	$(12,436)	$	$

Operating Expenses

Research and Development Expenses

Research and development expenses for the year ended December 31, 2019 were $13.1 million, compared to $ million for the year ended December 31, 2020. This of $ million was primarily due to .

General and Administrative Expenses

General and administrative expenses for the year ended December 31, 2019 were $2.4 million, compared to $ million during the year ended December 31, 2020. This of $ million was primarily attributable to .

Change in Fair Value of Series A Convertible Preferred Stock Purchase Right Liability

Change in fair value of Series A convertible preferred stock purchase right liability for the year ended December 31, 2019 was $2.6 million compared to $ during the year ended December 31, 2020. This of $ million is primarily attributable to in change in fair value of Series A convertible preferred stock purchase right liability.

Other Income

Other income for the year ended December 31, 2019 was $456,000 compared to $ during the year ended December 31, 2020. This of $ was primarily attributable to in other income for interest earned.

Liquidity and Capital Resources

Sources of Liquidity

Since our inception, we have incurred significant operating losses. To date, we have funded our operations primarily through the issuance and sale of equity securities. From our inception through December 31, 2020, we have raised an aggregate of $99.2 million in gross proceeds primarily from the sale of our convertible preferred stock and exercises of stock options. As of December 31, 2020, we had $ million in cash and cash equivalents and an accumulated deficit of $ million. We do not have any product candidates approved for sale and have not generated any revenue from product sales, and we do not expect to generate revenues from the commercial sale of our product candidate for at least the foreseeable future, if ever.

Cash Flows

The following table summarizes our cash flows for the years ended December 31, 2019 and 2020:

	YEAR ENDED DECEMBER 31,	
	2019	2020
	(in thousands)	
Net cash used in operating activities	$(12,510)	
Net cash used in investing activities	(7,242)	
Net cash provided by financing activities	24,987	
Net increase in cash and cash equivalents	$ 5,235	

Operating Activities

Net cash used in operating activities for the year ended December 31, 2020 was $ million, consisting primarily of our net loss of $ million and a $ million net change in operating assets and liabilities, partially offset by $ million in non-cash charges.

Net cash used in operating activities for the year ended December 31, 2019 was $12.5 million, consisting primarily of our net loss of $12.4 million and a $1.5 million net change in operating assets and liabilities, partially offset by $1.6 million in non-cash gain.

Investing Activities

Net cash used in investing activities for the year ended December 31, 2020 was $ million, consisting primarily of $ million of .

Net cash used in investing activities for the year ended December 31, 2019 was $7.2 million, consisting primarily of $19.8 million purchases of short-term investments partially offset by proceeds of $12.6 million on maturities of available-for-sale short-term investments.

Financing Activities

Net cash provided by financing activities in the year ended December 31, 2020 was $ million, consisting primarily of $ million proceeds from .

Net cash provided by financing activities in the year ended December 31, 2019 was $25.0 million, consisting primarily of $25.0 million in proceeds from the issuance and sale of Series A convertible preferred stock and Series A convertible preferred stock purchase right liabilities, net of issuance costs.

Funding Requirements

We use our cash to fund operations, primarily to fund our clinical trials, research and development expenditures and related personnel costs. We expect to continue to incur net operating losses for at least the next several years, and we expect our research and development expenses, general and administrative expenses, and capital expenditures will continue to increase as we conduct our ongoing and planned clinical trials and preclinical studies, engage in other research and development activities, seek regulatory approvals for any product candidates that successfully complete clinical trials, incur development milestone payments related to our research and development activities, prepare for commercialization, hire additional personnel, protect our intellectual property and incur additional expenses as a result of operating as a public company. Our net losses may fluctuate significantly from quarter-to-quarter and year-to-year, depending on the timing of our clinical trials and our expenditures on other research and development activities.

As a result, we will need to raise additional capital. Until such time as we can generate significant revenue from sales of our product candidate, if ever, we expect to finance our operations through public or private equity offerings or debt financings, credit or loan facilities, collaborations, strategic alliances, licensing arrangements or a

combination of one or more of these funding sources. Additional funds may not be available to us on acceptable terms or at all. Our ability to raise additional funds may be adversely impacted by potential worsening global economic conditions and the recent disruptions to, and volatility in, the credit and financial markets in the United States and worldwide resulting from the ongoing COVID-19 pandemic. If we fail to obtain necessary capital when needed on acceptable terms, or at all, it could force us to delay, limit, reduce or terminate our product development programs, commercialization efforts or other operations. Based upon our current operating plan, we believe that the net proceeds from this offering, together with our existing cash and cash equivalents, will enable us to fund our operating expenses and capital expenditure requirements through at least the next months.

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

- the scope, progress, results and costs of clinical trials and preclinical studies for REN001;
- the scope, prioritization and number of our research and indications we pursue;
- the costs and timing of manufacturing for our product candidate;
- the costs, timing, and outcome of regulatory review of REN001;
- the timing and amount of the milestone or other payments we must make to vTv Therapeutics and any future licensors;
- the terms and timing of establishing and maintaining collaborations, licenses and other similar arrangement;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims;
- the extent to which we acquire or in-license other product candidates and technologies;
- the costs of securing manufacturing arrangements for commercial production;
- our ability to achieve sufficient market acceptance, coverage and adequate reimbursement from third-party payors and adequate market share and revenue for any approved products; and
- the costs of establishing or contracting for sales and marketing capabilities if we obtain regulatory approvals to market our product candidate.

Based on our expected operating losses and negative cash flows, without raising additional capital, there is substantial doubt about our ability to continue as a going concern within 12 months after the date that the consolidated financial statements for the year ended December 31, 2019 were issued. Along with the closing of the first tranche of Series B convertible preferred stock, we issued rights to the purchasers for the purchase of an additional 23,440,514 shares of Series B convertible preferred stock under the same terms and conditions as the initial closing. Management's liquidity analysis excludes the receipt of the additional funds associated with the purchase rights of the Series B convertible preferred stock as the receipt of these funds are not entirely within its control and cannot be assessed as being probable of occurring. There can be no assurance that we will be successful in obtaining additional funding, that our projections of future working capital needs will prove accurate, or that any additional funding would be sufficient to continue operations in future years.

Identifying potential product candidates and conducting preclinical studies and clinical trials is a time-consuming, expensive, and uncertain process that takes many years to complete, and we may never generate the necessary data or results required to obtain marketing approval and achieve product sales. In addition, our product candidate, if approved, may not achieve commercial success. Our commercial revenues, if any, will be derived from sales of a product candidate that we do not expect to be commercially available for many years, if at all. Until such time as we can generate significant revenue from sales of our product candidate, if ever, we expect to finance our operations through public or private equity offerings or debt financings, credit or loan facilities, collaborations, strategic alliances, licensing arrangements or a combination of one or more of these funding sources. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a stockholder. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, or declaring dividends.

If we raise funds through collaborations, strategic alliances, or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or to grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market product candidate that we would otherwise prefer to develop and market ourselves.

Contractual Obligations & Commitments

Under the vTv License Agreement, we may be required to make milestone payments and pay royalties on annual net sales. The amount, timing and likelihood of any contingent payment obligations, such as milestones or royalties, under the vTv License Agreement are not known. For additional information regarding the vTv License Agreement, see “Business—License Agreement with vTv Therapeutics LLC.”

We enter into contracts in the normal course of business with CROs for clinical trials, preclinical studies, manufacturing and other services and products for operating purposes. These contracts generally provide for termination upon notice, and therefore we believe that our non-cancelable obligations under these agreements are not material.

Off-Balance Sheet Arrangements

We have not entered into any off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

Critical Accounting Policies and Estimates

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

While our significant accounting policies are described in more detail in Note 2 to our consolidated financial statements included elsewhere in this prospectus, we believe that the following critical accounting policies are most important to understanding and evaluating our reported financial results.

Accrued Research and Development Costs

We record accruals for estimated research and development costs, comprising payments for work performed by third party contractors, laboratories, participating clinical trial sites and others. Some of these contractors bill monthly based on actual services performed, while others bill periodically based upon achieving certain contractual milestones. Payments made in advance of or after performance are reflected in the consolidated balance sheets as prepaid expenses or accrued liabilities, respectively. Up-front costs, such as costs associated with setting up clinical trial sites for participation in the trials, are expensed immediately once the set-up has occurred as research and development expenses. We accrue the costs incurred under agreements with these third parties based on estimates of actual work completed in accordance with the respective agreements. If the actual timing of the performance of services or the level of effort varies from the estimate, we adjust accrued expenses or prepaid expenses accordingly, which impact research and development expenses. Although we do not expect our estimates to be materially different from amounts actually incurred, our understanding of the status and timing of services performed relative to the actual status and timing of services performed may vary and may result in reporting amounts that are too high or too low in any particular period. We have not experienced any material differences between accrued or prepaid costs and actual costs incurred since inception. We expense amounts paid to acquire licenses associated with products under development when the ultimate recoverability of the amounts paid is uncertain and the technology

has no alternative future use when acquired. Acquisitions of technology licenses are charged to expense or capitalized based upon management's assessment regarding the ultimate recoverability of the amounts paid and the potential for alternative future use. We have determined that technological feasibility for REN001 is reached when the requisite regulatory approvals are obtained to make the product candidate available for sale.

Series A Convertible Preferred Stock Purchase Right Liability

In connection with our Series A convertible preferred stock financing, in addition to the initial closings in December 2017 and January 2018, investors agreed to buy, and we agreed to sell, additional shares of Series A convertible preferred stock at a fixed price upon achievement of certain conditions. We evaluated this purchase right and concluded that it meets the definition of a freestanding instrument. Accordingly, we determined the fair value of the purchase right liability and recorded it on the balance sheet with the remainder of the proceeds raised being allocated to convertible preferred stock. The preferred stock purchase right liability was revalued at each reporting period with changes in the fair value of the liability recorded as change in fair value of preferred stock purchase right liability in the consolidated statements of operations and comprehensive loss. The preferred stock purchase right liability was revalued at settlement and the resultant fair value is then reclassified to convertible preferred stock at that time.

Stock-Based Compensation

We maintain a stock-based compensation plan as a long-term incentive for employees, non-employee directors and consultants. The plan allows for the issuance of incentive stock options, non-qualified stock options, restricted stock units and other forms of equity awards.

We measure and recognize compensation expense for all options based on the estimated fair value of the award on the grant date. We use the Black-Scholes option-pricing model to estimate the fair value of option awards. The fair value is recognized as expense over the requisite service period, which is generally the vesting period of the respective award, on a straight-line basis when the only condition to vesting is continued service. Forfeitures are recognized as a reduction of stock-based compensation expense as they occur. We have not issued awards where vesting is subject to a market or performance condition; however, if we were to grant such awards in the future, recognition would be based on the derived service period. Expense for awards with performance conditions would be estimated and adjusted on a quarterly basis based upon our assessment of the probability that the performance condition will be met.

The determination of the grant date fair value of options using an option pricing model is affected principally by our estimated fair value of our common stock and requires management to make a number of other assumptions, including the expected life of the option, the volatility of the underlying shares, the risk-free interest rate, and expected dividends. The assumptions used in our Black-Scholes option-pricing model represent management's best estimates at the time of grant. These estimates are complex, involve a number of variables, uncertainties and assumptions and the application of management's judgment, as they are inherently subjective. If any assumptions change, our stock-based compensation expense could be materially different in the future.

These assumptions include:

- *Fair Value of Common Stock*. As our common stock has not historically been publicly traded, we estimated the fair value of our common stock. See "—Fair Value of Common Stock."
- *Expected Term*. The expected term represents the period that our options are expected to be outstanding. We calculated the expected term using the simplified method based on the average of each option's vesting term and the contractual period during which the option can be exercised, which is typically 10 years following the date of grant.
- *Expected Volatility*. The expected volatility was based on the historical share volatility of several of our comparable publicly traded companies over a period of time equal to the expected term of the options, as we do not have any trading history to use the volatility of our own common stock.
- *Risk-Free Interest Rate*. The risk-free interest rate was based on the yields of U.S. Treasury zero-coupon bond securities with maturities appropriate for the term of the award.
- *Expected Dividend Yield*. We have not paid dividends on our common stock nor do we expect to pay dividends in the foreseeable future. Therefore, we used an expected dividend yield of zero.

See Note 8 to our audited consolidated financial statements included elsewhere in this prospectus for more information concerning certain of the specific assumptions we used in applying the Black-Scholes option pricing model to determine the estimated fair value of our stock options. Certain of such assumptions involve inherent uncertainties and the application of significant judgment. As a result, if factors or expected outcomes change and we use significantly different assumptions or estimates, our stock-based compensation could be materially different.

We recorded stock-based compensation expense of $0.4 million and $ million for the years ended December 31, 2019 and 2020, respectively. As of December 31, 2020, we had $ million of total unrecognized stock-based compensation cost which we expect to recognize over an estimated weighted-average period of years. We expect to continue to grant stock options and other equity-based awards in the future, and to the extent that we do, our stock-based compensation expense recognized in future periods will likely increase.

The intrinsic value of all outstanding options as of December 31, 2020 was $ million based on an assumed initial public offering price of $ per share, of which approximately $ million is related to vested options and approximately $ million is related to unvested options.

Fair Value of Common Stock

Historically, for all periods prior to this offering, the fair values of the common stock underlying our options were estimated on each grant date by our board of directors. In order to determine the fair value, our board of directors considered, among other things, contemporaneous valuations of our common stock prepared by unrelated third-party valuation firms in accordance with the guidance provided by the American Institute of Certified Public Accountants 2013 Practice Aid, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation* (the Practice Aid). Given the absence of a public trading market of our capital shares, our board of directors exercised reasonable judgment and considered a number of objective and subjective factors to determine the best estimate of the fair value of our common stock, including, but not limited to:

- contemporaneous third-party valuations of our common stock;
- important developments in our business;
- sales of our convertible preferred stock;
- the prices, rights, preferences, and privileges of our preferred shares relative to our common stock;
- our business, financial condition, and results of operations, including related industry trends affecting our operations;
- the progress of clinical development;
- the likelihood of achieving a liquidity event, such as an initial public offering or sale of our company, given prevailing market conditions;
- the lack of marketability of our common stock;
- the market performance of comparable publicly traded companies; and
- U.S. and global economic and capital market conditions and outlook.

Common Stock Valuation Methodology

Our valuations were prepared in accordance with the guidelines in the Practice Aid, which prescribes several valuation approaches for setting the value of an enterprise, such as the cost, income and market approaches, and various methodologies for allocating the value of an enterprise to its common stock. The cost approach establishes the value of an enterprise based on the cost of reproducing or replacing the property less depreciation and functional or economic obsolescence, if present. The income approach establishes the value of an enterprise based on the present value of future cash flows that are reasonably reflective of our company's future operations, discounting to the present value with an appropriate risk adjusted discount rate or capitalization rate. The market approach is based on the assumption that the value of an asset is equal to the value of a substitute asset with the same characteristics.

Each valuation methodology was considered in our valuations. In valuing our common stock for 2019 and 2020, we determined the equity value of our business using the back-solve method, a market approach that assigns an implied enterprise value based on the most recent round of funding or investment and allows for the incorporation of the implied future benefits and risks of the investment decision assigned by an outside investor. The back-solve method

requires considering the rights and preferences of each class of equity and solving for the total market value of invested capital that is consistent with a recent transaction in the company's own securities, considering the rights and preferences of each class of equity.

In December 2020, in connection with our Series B convertible preferred stock financing with new and certain current investors, we applied a hybrid method of the probability weighted expected return method (PWERM), where the non-IPO scenario is modeled using an option pricing model to reflect the full distribution of possible non-IPO outcomes based on the value determined in the back-solve method. Under the option pricing model, common stock is valued by creating a series of call options with exercise prices based on the liquidation preferences and conversion terms of each equity class. The values of each class of equity are inferred by analyzing these options. In the IPO scenario, we used the fully-diluted shares outstanding to allocate value to each class of equity based on a market approach. The hybrid method is useful when certain discrete future outcomes can be predicted, but also accounts for uncertainty regarding the timing or likelihood of specific alternative exit events.

Following the closing of this offering, the fair value of our common stock will be determined based on the closing price of our common stock on the Nasdaq Global Market.

Recent Accounting Pronouncements

See Note 2. to our consolidated financial statements beginning on page F-1 of this prospectus for a description of recent accounting pronouncements applicable to our consolidated financial statements.

Qualitative and Quantitative Disclosures about Market Risk

Interest Rate Risk

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate sensitivities. As of December 31, 2020, we had cash and cash equivalents of $ million. We generally hold our cash in interest-bearing bank accounts, money market accounts, and repurchase agreements. Our primary exposure to market risk is interest rate sensitivity, which is affected by changes in the general level of U.S. interest rates. An immediate 100 basis point change in interest rates would not have a material effect on the fair market value of our cash.

Financial Institution Risk

Substantially all of our cash is held with a single financial institution. Due to its size, this financial institution represents a minimal credit risk. Cash amounts held at financial institutions are insured by the Federal Deposit Insurance Corporation up to $250,000. At December 31, 2020, we had $ million in excess of this insured limit.

Foreign Currency Risk

Our expenses are generally denominated in U.S. dollars. To date, foreign currency transaction gains and losses have not been material to our consolidated financial statements, and we have not had a formal hedging program with respect to foreign currency. A 10.0% increase or decrease in current exchange rates would not have a material effect on our financial results.

Effects of Inflation

Inflation generally affects us by increasing our cost of labor and clinical trial costs. We do not believe that inflation has had a material effect on our results of operations during the periods presented.

Emerging Growth Company Status

We are an "emerging growth company," as defined in the JOBS Act, and we may take advantage of reduced reporting requirements that are otherwise applicable to public companies. Section 107 of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies are required to comply with those standards. We have elected to take advantage of the extended transition period for complying with new or revised accounting standards, and as a result of this election, our financial statements may not be comparable to companies that comply with public company effective dates. The JOBS Act also exempts us from having to provide an auditor attestation of internal control over financial reporting under Sarbanes-Oxley Act Section 404(b).

We will remain an “emerging growth company” until the earliest of (1) the last day of the fiscal year in which we have total annual gross revenues of $1.07 billion or more, (2) the last day of the fiscal year in which the fifth anniversary of the completion of this initial public offering occurs, (3) the date on which we have issued more than $1.0 billion in nonconvertible debt during the previous three years or (4) the last day of the fiscal year in which we are deemed to be a large accelerated filer under the rules of the SEC, which generally is when we have more than $700.0 million in market value of our stock held by non-affiliates as of the prior June 30th and we have been a public company for at least 12 months and have filed one annual report.

BUSINESS

Overview

Reneo is a clinical stage pharmaceutical company focused on the development of therapies for patients with rare genetic mitochondrial diseases, which are often associated with the inability of mitochondria to produce adenosine triphosphate (ATP). We are developing REN001 to modulate genes critical to metabolism and generation of ATP, which is the primary source of energy for cellular processes. REN001 is a selective peroxisome proliferator-activated receptor delta (PPARd) agonist that has been shown to increase transcription of genes involved in mitochondrial function and increase fatty acid oxidation (FAO), and may increase production of new mitochondria.

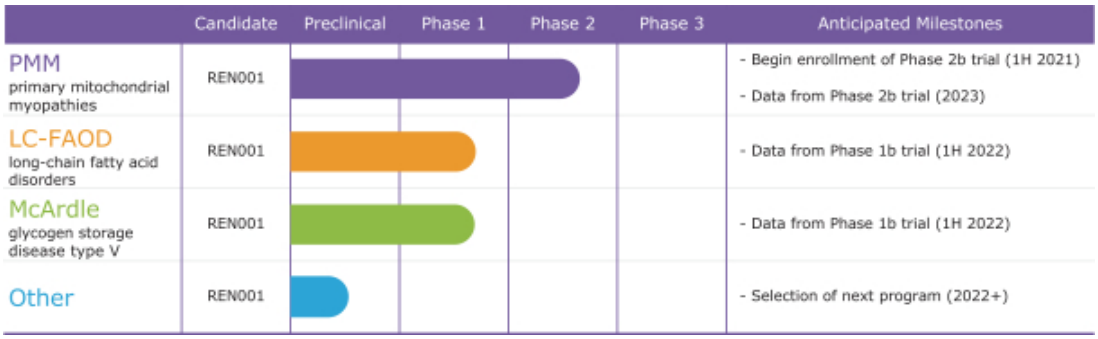
We believe REN001 could benefit patients with genetic mitochondrial myopathies who experience weakness, fatigue, cramping, and wasting of muscle due to the mitochondria's inability to produce adequate levels of ATP. These patients often struggle to perform everyday activities, and over time, are at risk of experiencing cardiac and multisystem morbidities and have reduced life expectancy.

We are initially developing REN001 in three rare genetic diseases that typically present with myopathy and have high unmet medical needs: primary mitochondrial myopathies (PMM), long-chain fatty acid oxidation disorders (LC-FAOD), and glycogen storage disease type V (McArdle disease).

We completed a Phase 1b clinical trial in patients with PMM and the preliminary results showed that treatment with REN001 was well tolerated, improved exercise performance and increased oxygen consumption and stamina, as well as improved patient reported symptoms. We initiated a global Phase 2b clinical trial in patients with PMM and plan to begin enrollment in the first half of 2021. We also plan to conduct a long-term safety trial in a subset of patients from the Phase 2b clinical trial. We anticipate results from these clinical trials in 2023. Based on interactions with United States and several European regulatory agencies, we believe that positive results from these clinical trials could support registration of REN001 for PMM in both the United States and in Europe.

We are also conducting two Phase 1b clinical trials of REN001 in patients with LC-FAOD and McArdle disease, respectively. Both Phase 1b clinical trials are currently enrolling, and we anticipate results in the first half of 2022. We also plan to explore the potential of REN001 in other rare diseases, such as Duchenne muscular dystrophy (DMD) and Alport syndrome, where we have supportive preclinical data.

The following table summarizes our pipeline for REN001.



We are initially developing REN001 in the following three rare genetic diseases that are associated with a deficit of energy production in mitochondria and typically present with myopathy:

- PMM: This rare disease has an estimated prevalence of approximately 100,000 patients in the United States and Europe combined. Patients with PMM are unable to move their muscles efficiently because their ability to generate energy through oxidative phosphorylation (OxPhos) is compromised. We are targeting treatment for adult patients with PMM who have mitochondrial gene defects with associated myopathy, lack of endurance, exercise intolerance, and fatigue.
- LC-FAOD: This rare disease has an estimated prevalence of approximately 15,000 patients in the United States and Europe combined. The genetic alterations observed in these patients reduce their capacity to metabolize long-chain fatty acids as a source of energy for mitochondria. As patients with LC-FAOD grow older, they suffer from myopathy, lack of endurance, exercise intolerance, and fatigue. Muscle

exertion in the absence of an adequate source of energy can result in the breakdown of muscle tissue that can subsequently cause kidney and cardiac damage.

- McArdle disease: This rare disease has an estimated prevalence of approximately 11,000 patients in the United States and Europe combined. McArdle disease patients have a specific inability to break down glycogen to glucose as a source of energy for mitochondria. Patients with McArdle disease experience muscle damage with severe acute fatigue and muscle pain. Breakdown of muscle tissue can also cause kidney damage.

Muscle cells mainly rely on three sources to generate energy: phosphocreatine, carbohydrates (glycogen), and fatty acids. At the onset of exertion, muscle cells use readily available sources of energy such as phosphocreatine and carbohydrates (glycogen). As these sources of energy become depleted with continued exertion, muscle cells turn to fatty acids as the primary source to generate energy.

Mitochondria are responsible for generating most of the energy for cells in the form of ATP. Cells have hundreds to thousands of mitochondria, with each mitochondrion containing proteins derived from both nuclear and mitochondrial genes. Patients with PMM can have nuclear or mitochondrial gene defects that result in reduced energy production in the mitochondria. Patients with LC-FAOD have deficiencies in the enzymes that break down long-chain fatty acids, resulting in an energy deficit. Patients with both of these diseases suffer from lack of endurance, fatigue, and muscle weakness and they are unable to move their muscles efficiently because their ability to generate energy through OxPhos is compromised. Therapies are very limited for patients with rare genetic mitochondrial diseases and consist mainly of dietary manipulations and nutritional supplements to provide alternate sources of energy, and a carefully controlled exercise regimen. Increasing the capacity of these patients to metabolize fatty acids could potentially reduce their energy deficit and improve their ability to function.

McArdle disease patients are unable to break down glycogen in the muscle. Patients with McArdle disease present with severe acute pain and difficulty moving their muscles after the first few minutes of muscle activity. An increase in fatty acid metabolism may allow patients to overcome the deficiency in glycogen, thereby minimizing the lack of energy associated with their disease.

REN001 is designed to selectively activate PPARd receptors found in the nuclear membrane of muscle and other cells. PPARd is a member of a family of nuclear receptors that regulate cellular energy generation by modulating the expression of genes that control proteins involved in mitochondrial enzyme activity and the formation of new mitochondria (mitochondrial biogenesis). PPARd is highly expressed in muscle cells and activation of PPARd either through genetic manipulation or through small molecule agonists has been shown to increase the ability of muscle cells to use fatty acids as well as improve muscle strength and exercise tolerance in study animals. We believe these are the mechanisms by which REN001 will act to help patients with mitochondrial diseases.

We completed a Phase 1b clinical trial of REN001 in patients with PMM. In this open label trial, patients with mitochondrial gene defects and myopathy were treated with 100 mg REN001 once daily for 12 weeks. After 12 weeks of treatment, patients were able to increase their distance walked during a 12-minute walk test (12MWT) by 104 meters on average compared to baseline. Based on historic data from controlled studies of other product candidates conducted by third parties involving a six-minute walk test, we believe that this increase is substantially more than what would be expected in patients receiving a placebo. Importantly, the increase in distance walked was more pronounced during the second half of the 12MWT. It is during this period of the 12MWT when FAO becomes the primary process to generate ATP. Other measures such as peak oxygen consumption, performance in the 30-second sit-to-stand test, and symptoms evaluated with patient reported outcome (PRO) questionnaires were all consistent with the potential of REN001 to provide what is considered meaningful clinical improvement. Based on these results, we initiated a global Phase 2b clinical trial in patients with PMM and plan to begin enrollment in the first half of 2021. We plan to conduct a long-term safety trial in a subset of patients from the Phase 2b clinical trial. We anticipate results from these clinical trials in 2023. Based on interactions with United States and several European regulatory agencies, we believe that positive results from these trials could support registration of REN001 for PMM in both the United States and in Europe.

We are also conducting Phase 1b clinical trials of REN001 in patients with LC-FAOD and in patients with McArdle disease. Available results from the first six patients in the LC-FAOD trial showed an improvement in multiple measures, including the 12MWT and patient-reported outcome questionnaires in some patients. We anticipate results from these two Phase 1b clinical trials in the first half of 2022.

As of January 31, 2021, REN001 has been dosed in 112 individuals across multiple clinical trials and was well tolerated, with no drug-related serious adverse events (SAE) reported.

Our experienced management team is led by our President and Chief Executive Officer, Gregory J., Flesher, who has more than 25 years of biopharmaceutical industry experience and has been closely involved with the successful development and commercialization of multiple novel drugs. Mr. Flesher previously served as Chief Executive Officer of Novus Therapeutics, Inc., and has held additional leadership roles at Avanir Pharmaceuticals, Inc. (acquired by Otsuka Pharmaceutical Co., Ltd.), InterMune, Inc. (acquired by Roche Holding AG), Amgen Inc. and Eli Lilly and Company. Our Chief Medical Officer, Alejandro Dorenbaum, M.D., has extensive experience in the development of drugs for rare diseases such as Kuvan, Naglazyme, and Palynziq. Dr. Dorenbaum previously served as Chief Medical Officer at Allakos Inc. and Lumena Pharmaceuticals, Inc. and held other leadership roles at Genentech and BioMarin Pharmaceuticals Inc. Our Chief Development Officer, Wendy Johnson, has over 30 years of pharmaceutical industry experience, including development of the rare disease drug, Treanda. Ms. Johnson held previous leadership positions at AmpliPhi Biosciences Corporation, Aires Pharmaceuticals, Inc. (acquired by Mast Therapeutics, Inc.), and Salmedix, Inc. (acquired by Cephalon, Inc.).

We are supported by leading life sciences investors, including Novo Holdings A/S, Abingworth, New Enterprise Associates, RiverVest Venture Partners, Pappas Capital, Lundbeckfond Ventures, Rock Springs Capital, Aisling Capital, and Amzak Health.

We licensed exclusive, worldwide rights to develop and commercialize REN001 and other related compounds from vTv Therapeutics in December 2017.

Our Strategy

Our mission is to bring to market therapies that address high unmet medical needs of patients with genetic mitochondrial diseases. We plan to achieve this goal by rapidly developing REN001 initially for patients with PMM, LC-FAOD, and McArdle disease, and will continue to explore other patient populations where REN001 may provide benefit. We intend to establish REN001 as the standard of care for multiple rare genetic mitochondrial diseases. The components of our strategy are as follows:

- **Complete clinical development and seek regulatory approval of REN001 in PMM.** REN001 is an oral small molecule PPARd agonist that is designed to modulate multiple genes critical for cellular metabolism and the generation of energy in the cell. Our lead clinical program targets PMM, a rare disease with an estimated prevalence of approximately 100,000 patients in the United States and Europe combined, and a high unmet medical need due to the lack of any approved pharmaceutical treatment option. We recently established proof-of-concept in a Phase 1b clinical trial in PMM in which REN001 was shown to be well tolerated and improvements in exercise performance and patient-reported symptoms were observed. We initiated a global Phase 2b clinical trial in PMM in the first half of 2021, and we plan to conduct a long-term safety trial in a subset of patients from the Phase 2b clinical trial. Based on interactions with U.S. and several European regulatory agencies, we believe that positive results from these trials could support registration of REN001 for PMM in both the United States and in Europe.
- **Advance REN001 clinical development in LC-FAOD and McArdle disease.** We are conducting two Phase 1b clinical trials of REN001 in patients with LC-FAOD and McArdle disease, rare genetic diseases with high unmet medical need. LC-FAOD has an estimated prevalence of approximately 15,000 patients in the United States and Europe combined, and McArdle disease has an estimated prevalence of approximately 11,000 patients in the United States and Europe combined. Preliminary results from our LC-FAOD Phase 1b clinical trial have demonstrated an improvement in a subset of patients in both exercise tests and symptoms, and the tolerability of REN001 has been consistent with that observed in other REN001 studies. We expect data from both Phase 1b clinical trials in the first half of 2022.
- **Maximize the commercial potential of REN001 in additional rare disease indications.** We also plan to explore the potential of REN001 in other rare diseases, where we have supportive preclinical data. For example, we have shown that REN001 treatment led to improvement in function in a mouse model of DMD, one of the most severe forms of inherited muscular dystrophies. REN001 has also been shown to prevent inflammatory cell death in animal models of ischemic kidney diseases and Alport syndrome.
- **Successfully commercialize REN001 in the United States and key European markets, and establish REN001 as standard of care.** We plan to build a fully integrated rare disease pharmaceutical company with a commercial infrastructure in the United States and key European markets. For other markets, we plan to

explore strategic partnerships to bring REN001 to market with the goal of establishing REN001 as standard of care for rare genetic myopathies around the world.

- **Expand our rare disease pipeline through acquisitions and/or licensing of complementary programs.** We plan to license or acquire additional programs targeting rare diseases with high unmet medical need. We will leverage our experience in preclinical and clinical development, commercialization, and strong relationships with clinical investigators and patient advocacy organizations to bring therapeutic options to patients.

Background

How muscle cells generate energy and how that process is deficient in patients with genetic myopathies

Cells generate energy in the form of ATP within intracellular structures called mitochondria. Mitochondria use proteins, carbohydrates, and fatty acids to make ATP, which is then used by the cell to support all cellular processes. Muscle tissue requires a high number of mitochondria to support energy needs.

Mitochondrial energy production involves a series of highly regulated metabolic processes that are sequenced based on the availability of nutrients and the length of time cells require energy. In the first minute of exertion, mitochondria utilize readily available phosphocreatine (P-Cr) as a source of fuel to create ATP (Figure 1, step 1). When phosphocreatine is consumed, muscles turn to carbohydrate metabolism (glucose utilization) as the next source of fuel to create ATP (Figure 1, step 2). Finally, after several minutes of exercise when carbohydrates are depleted, mitochondria turn to fatty acids as the source of fuel to create ATP (Figure 1, step 3). FAO becomes the primary pathway to generate energy for muscle and other cells during long periods of exercise.

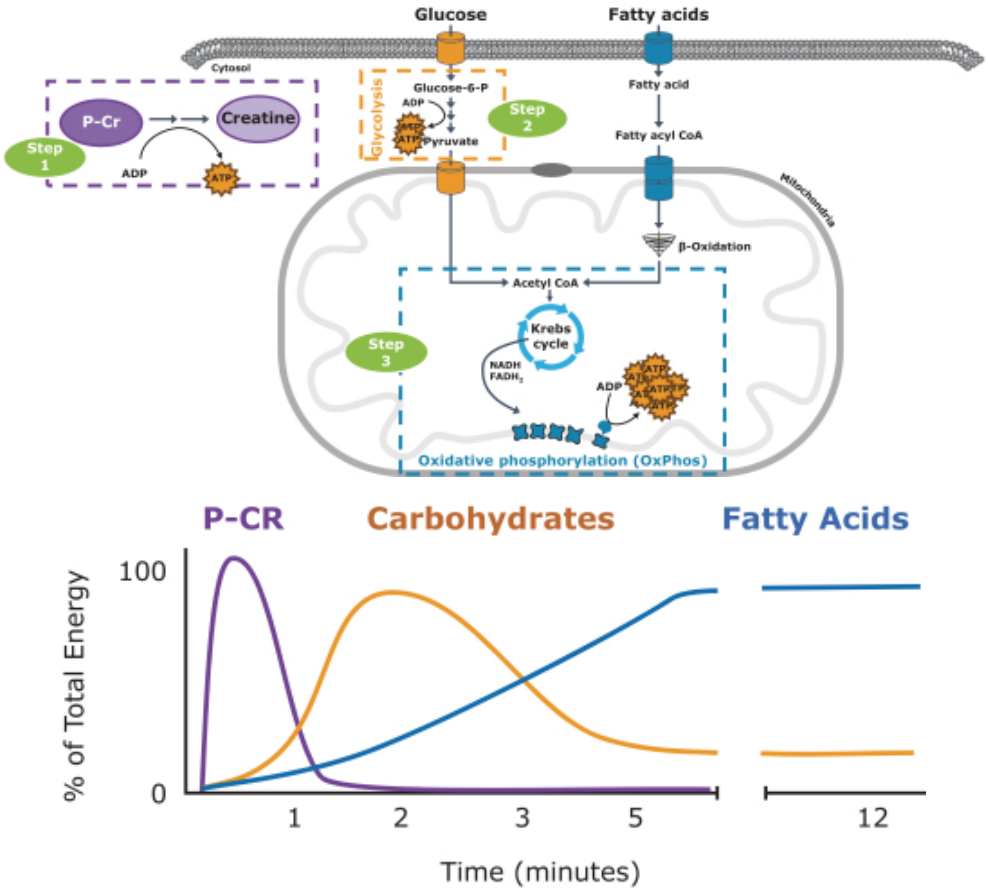


Figure 1. The energy source used by muscles shifts from phosphocreatine (P-Cr) and carbohydrates to fatty acids as short-term supplies of phosphocreatine and carbohydrates are depleted

Genetic mitochondrial myopathies are caused by deficiencies in specific steps of mitochondrial energy generation. Patients are unable to sustain normal muscle activity due to deficiencies in ATP production. We believe that enhancing FAO has the potential to provide therapeutic benefit to patients with genetic myopathies.

Disease Overview

PMM background

PMM are a group of disorders caused by genetic mutations either within the mitochondrial or nuclear DNA that affect the activity of enzymes or other proteins in the mitochondria. In PMM these genetic alterations hamper the ability of mitochondria to generate energy from nutrient sources, resulting in energy deficits that are most pronounced in tissues with high energy demand such as muscle, brain, and heart. Energy deficits can affect major muscle groups that are used for walking, climbing, lifting objects, and maintaining posture. Patients with PMM report chronic fatigue and a lack of endurance. Functional muscle impairment is also evident in smaller muscle groups that control, for example, movements of the eyes and eyelids and alterations in other muscles of the face and neck, which can lead to difficulty with swallowing and, more rarely, slurred speech.

Within each mitochondrion there are maternally inherited circular DNA molecules, referred to as mtDNA. mtDNA is inherited in a unique way such that within each cell there can be variable amounts of both mitochondria with mutated and non-mutated genes. The mtDNA genes code for thirteen proteins critical to cellular energy metabolism. Pathogenic mutations in mtDNA lead to a spectrum of diseases and physiological dysfunctions. This is due to several factors including the variability in prevalence of the mutated versus non-mutated genes within each cell across various tissues in the body. Myopathy is one of the most common clinical manifestations of disease in patients with PMM and can be a debilitating feature because muscle impairment, lack of endurance and exercise intolerance affect mobility and limit the capability of PMM patients to perform day-to-day activities.

There are currently no approved therapies for the treatment of PMM, representing a high unmet medical need.

LC-FAOD background

LC-FAOD are a type of inherited genetic errors of metabolism resulting in the inability to use dietary long-chain fatty acids as energy sources in the mitochondria. Fatty acids are metabolized in the mitochondria though a process known as OxPhos. Mitochondria have specific enzymes that break down each of the fatty acids to produce ATP. Mutations in the genes encoding the enzymes that break down long-chain fatty acids may lead to severe energy deficits. Specific deficiencies include defects in very long-chain acyl-CoA dehydrogenase (VLCAD), LCHAD, mitochondrial trifunctional protein (TFP) deficiency, and carnitine palmitoyltransferase (CPT) deficiency. Patients need at least partial enzyme activity to survive into adulthood. Patients with the most severe defects in these enzymes have a high mortality rate. The most severe cases of LC-FAOD are diagnosed within the first few days or weeks of life. These patients often present with a severe energy deficit that results in lethargy, liver dysfunction, hypoglycemia, encephalopathy, and high risk for sudden death. Older patients usually present with lack of endurance, poor exercise tolerance, muscle aches, rhabdomyolysis or breakdown of muscle tissue and are at risk of developing kidney injury. Patients with LC-FAOD are instructed to avoid fasting, eat frequent meals and, in some cases, supplement with creatinine and MCT, in order to maintain sources of energy for oxidative metabolism. In June 2020, a new form of MCT called Dojolvi (triheptanoin) was approved in the United States as a source of calories for LC-FAOD patients. However, Dojolvi has not demonstrated clear functional benefits on endurance in randomized, controlled clinical trials. Energy deficits during exercise can lead to rhabdomyolysis or breakdown of muscle cells, which, in turn, can lead to kidney damage.

McArdle disease background

McArdle disease is a rare genetic disorder belonging to a class of diseases known as glycogen storage diseases (GSD). Patients with McArdle disease have a mutation in the gene that encodes a muscle enzyme called myophosphorylase. In healthy individuals, this enzyme converts glycogen stored in the muscles into glucose, which is then metabolized in the mitochondria to produce ATP. McArdle patients are deficient in this enzyme and therefore, cannot convert glycogen to glucose for energy production. Given that the vast majority of carbohydrates available to the muscle cells for consumption is in the form of muscle glycogen, these patients have a lapse in energy production after a short period of physical activity. During this lapse in energy, they experience muscle pain, severe acute fatigue, and elevated heart rate. Following this debilitating lapse in energy, patients get a “second

wind" when their muscle cells switch over to metabolism of fatty acids, but this only occurs after several minutes of continuous muscle activity. This lapse in energy sources can severely impact activities of daily living and occasionally result in severe rhabdomyolysis, which could lead to hospitalization and possible acute kidney failure requiring dialysis.

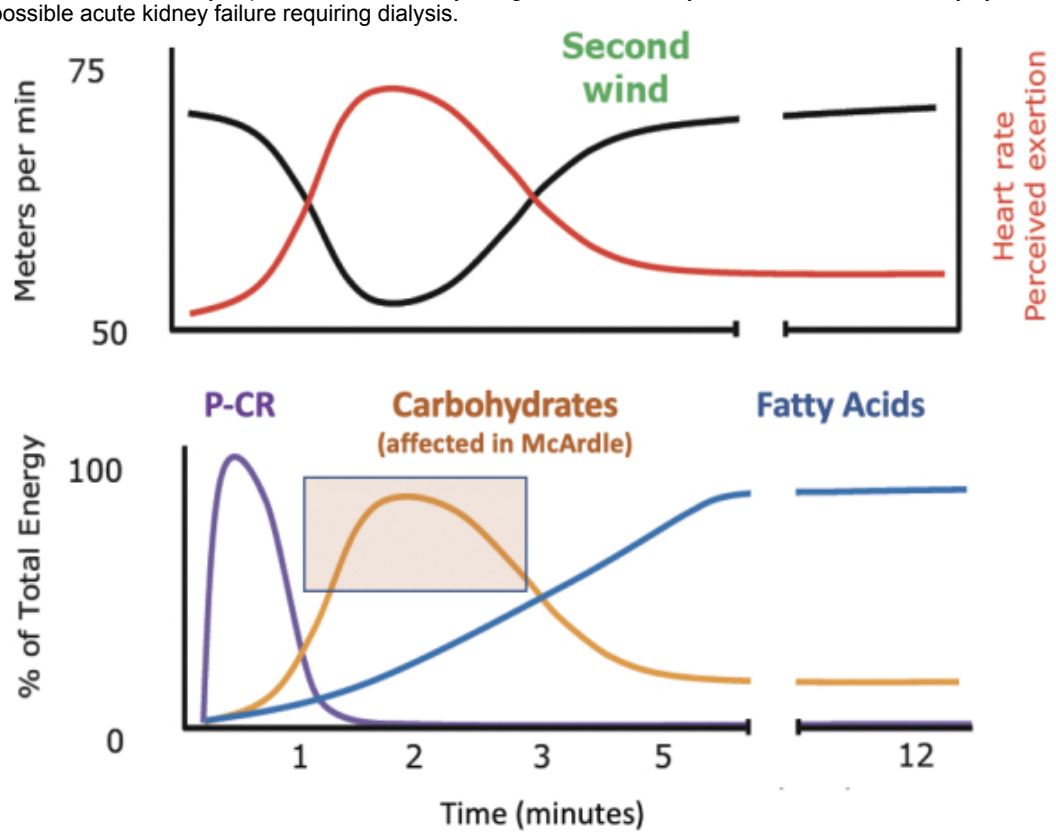


Figure 2. McArdle patients lack the ability to use glycogen as an energy source resulting in an energy deficit until metabolism switch to FAO giving them a "second wind"

There are no approved drug therapies for McArdle disease nor, to our knowledge, any drug candidates in clinical development other than REN001. Anecdotal reports from individual patients suggest that a ketogenic diet, that is, a high fat, low carbohydrate diet, may improve exercise capacity and reduces symptoms of the disease. In a pilot open-label clinical trial, three modified ketogenic diet regimens were evaluated in McArdle patients. All regimens improved FAO rates and exercise capacity as indicated by small decrease in heart rate and perceived exertion. Similar to the mechanism of action of ketogenic diets, we believe that REN001 has the potential to augment in the muscle the time to access fatty acids as an energy source and relieve some of the energy deficits experienced by not being able to use glycogen as an energy source.

PPARd , a regulator of FAO

PPARs are members of a family of nuclear receptors that, through their distinct functions and tissue distribution, regulate gene transcription involved in many biological processes, including metabolism and energy production. There are three PPAR isotypes: alpha (a), gamma (g) and delta (d). PPAR a and g agonists drugs have been approved in cardiovascular and endocrine disorders, respectively.

PPARd is highly expressed in muscle cells and activation of PPARd either through genetic manipulation or through small molecule agonists has been shown to increase the ability of muscle cells to use fatty acids and generate energy. Transgenic mice with overexpressed PPARd were shown to be able to run on a treadmill twice the distance compared to normal mice. Conversely, PPARd knockout mice were shown to run approximately 30% less distance compared to normal mice. We believe that a selective agonist of PPARd such as REN001, has potential therapeutic benefits while avoiding some of the adverse events associated with approved PPAR agonists of the PPARa and PPARg class.

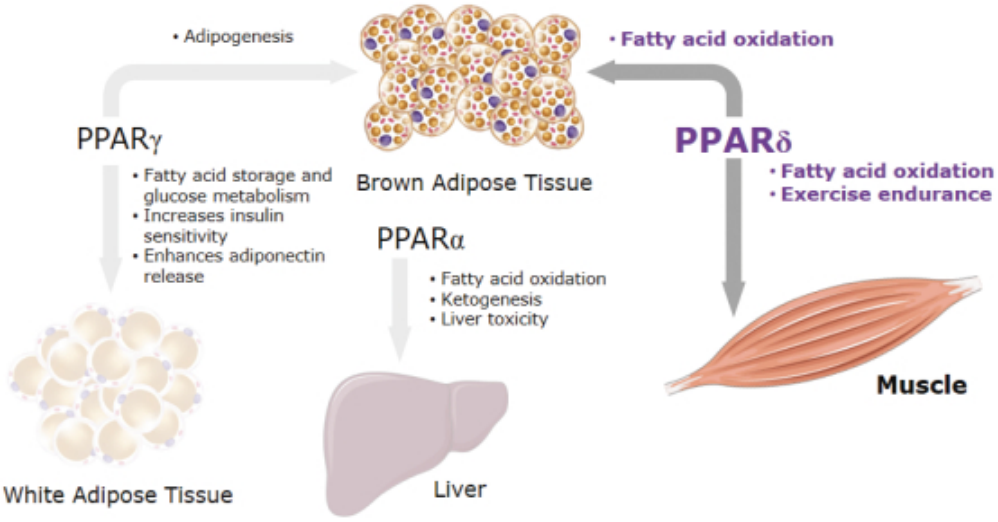


Figure 3. Members of the PPAR family of nuclear receptors have distinct roles in regulating fatty acid metabolism

Our solution, REN001

REN001 is an oral, small molecule selective PPARd agonist designed to modulate genes critical to metabolism and generation of energy. By selectively targeting PPARd, REN001 may address the cellular energy deficit in patients with genetic mitochondrial myopathies such as PMM, LC-FAOD and McArdle disease by:

- Increasing OxPhos activity of mitochondria resulting in enhanced production of ATP;
- Increasing the formation of new mitochondrial (biogenesis) and thereby increasing residual OxPhos activity and subsequent ATP production; and
- Increasing the proportion and/or absolute number of functioning mitochondria which may compensate for poorly functioning or non-functional mitochondria

Experiments in cell lines derived from patients with genetic mitochondrial myopathies have shown that increasing respiratory chain enzyme (complex I, III or IV) levels and activity can compensate the underlying energy deficit. Agonism of PPARd can increase the activity of these respiratory chain enzymes.

In addition, pharmacological upregulation of mitochondrial biogenesis in PMM patients may result in improved energy generation. PPAR agonists have been shown to activate genes that play a central role in regulating mitochondrial biogenesis. We believe that activation of these genes may alleviate the ATP deficient state in patients with genetic mitochondrial myopathies by increasing mitochondrial mass through enhanced mitochondrial biogenesis.

In preclinical models, administration of REN001 led to a concentration-dependent increase of FAO and an increase in expression of genes involved in mitochondrial biogenesis. Similarly, data from a prior Phase 1 clinical trial of REN001 in healthy volunteers who were randomized to receive 4 weeks of treatment with 100mg REN001 orally twice daily (n=12) or placebo (n=12) showed increased expression of PPARd regulated genes. Compared to placebo, analysis of muscle biopsies from REN001 treated volunteers showed substantial changes in known PPAR regulated target genes involved in fatty acid metabolism and new mitochondria formation.

We completed a Phase 1b clinical trial in patients with PMM, and treatment with REN001 was well tolerated and improved exercise performance and increased oxygen consumption and stamina, as well as improved symptoms reported by the patients. We submitted an investigational new drug application (IND) in December 2020 and initiated a global Phase 2b clinical trial in patients with PMM in the first half of 2021. We plan to conduct a long-term safety trial in a subset of patients from the Phase 2b clinical trial. We anticipate results from these trials in 2023. Based on interactions with United States and European regulatory agencies, we believe that positive results from these trials could support registration of REN001 for PMM in both the United States and Europe. We are also conducting two additional Phase 1b clinical trials in patients with LC-FAOD and McArdle disease, respectively, and expect topline results from these two trials in the first half of 2022.

We have received orphan drug designations in the United States for PMM and LC-FAOD. Additionally, we have received orphan drug designations for MELAS, a form of PMM, and LCHAD, a form of LC-FAOD in Europe. As further clinical data becomes available, we plan to apply for additional orphan designations in the United States and Europe. We licensed exclusive, worldwide rights to develop and commercialize REN001 and other related compounds from vTv Therapeutics in 2017.

REN001 for the Treatment of Primary Mitochondrial Myopathies

Phase 1b clinical results in PMM

We completed a Phase1b clinical trial of REN001 in patients with PMM and myopathy with mitochondrial DNA (mtDNA) mutations, which was conducted under a Clinical Trial Authorisation (CTA) submitted to the MHRA in the UK and accepted in November 2018. The primary objective of the trial was to evaluate the safety and tolerability of REN001, and we also included measures of clinical outcome such as exercise tests and symptom questionnaires. We selected PMM patients with mtDNA mutations and excluded PMM patients with nuclear DNA defects to reduce heterogeneity in the study. Also, in contrast to PMM patients with nuclear DNA defects who have all their mitochondria affected, patients with mtDNA mutations harbor both normal and mutated mitochondria in their cells. In PMM patients with mtDNA mutations, REN001 has the potential to improve the function of affected mitochondria and to increase the overall function of otherwise normal mitochondria. This could potentially happen by impacting mitochondrial biogenesis or by improving mitochondrial function, resulting in improved cellular energy levels for PMM patients.

The Phase 1b trial was conducted in two parts: Part A (12 weeks dosing) and Part B (optional 36-week treatment extension). All patients were dosed orally with 100 mg REN001 once daily. A total of 24 patients were enrolled and 23 patients received REN001 in Part A. The planned maximum treatment duration for each patient in Part A was 12 weeks and the planned maximum treatment duration for each patient included in both Part A and Part B was 48 weeks. The Phase 1b clinical trial was closed early as a result of the COVID-19 pandemic. At the point of trial

closure, a total of 17 patients had completed Part A, 13 patients had entered Part B, and the maximum duration of treatment was approximately 40 weeks.

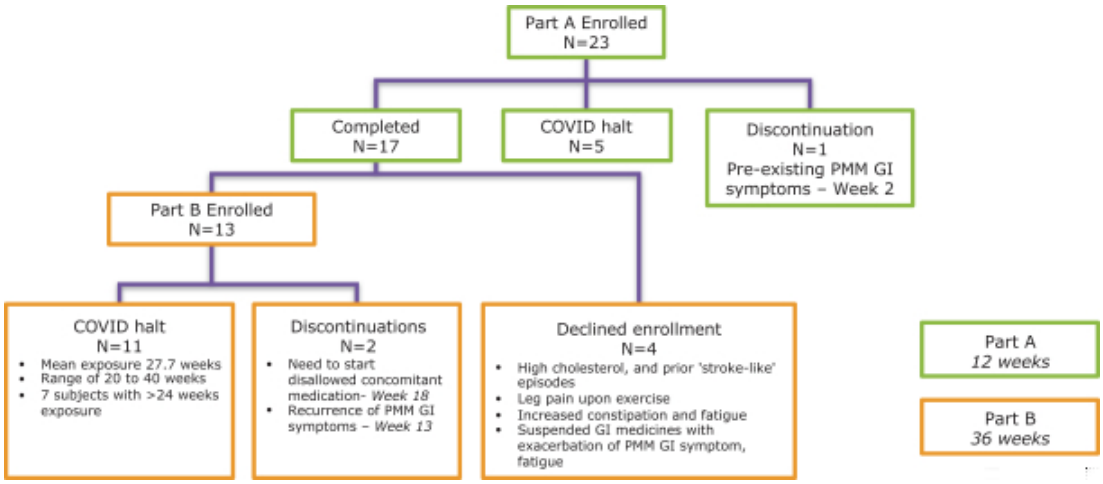


Figure 4. REN001 PMM Phase 1b clinical trial enrollment

To evaluate changes in patient function, we used a 12MWT. We believe that the 12MWT is an ideal assessment of functionality in patients with genetic mitochondrial diseases who commonly lack endurance. The latter half of the exercise period permits the evaluation of patients as they move from phosphocreatine and carbohydrate metabolism into FAO in the mitochondria.

As of January 31, 2021, we have the following preliminary results from the trial.

REN001 was generally well tolerated with no drug related SAEs observed. There were 91 treatment emergent adverse events (TEAE) experienced by 18 out of 23 (78.4%) patients, with 58 (63.7%) of all TEAEs experienced by 12 patients considered related to study drug. The majority of these TEAEs were mild to moderate in severity. The most commonly reported TEAEs were gastrointestinal (constipation) followed by headache. Two patients had elevations of creatine phosphokinase of moderate severity that were possibly or probably related to study drug.

Physical Performance Measures

Following 12 weeks of 100 mg once-daily dosing with REN001, patients achieved an average increase of 104 meters in distance walked during the 12MWT compared to baseline. An increase in distance walked was observed in 13 of 17 patients as illustrated in Figure 5a.

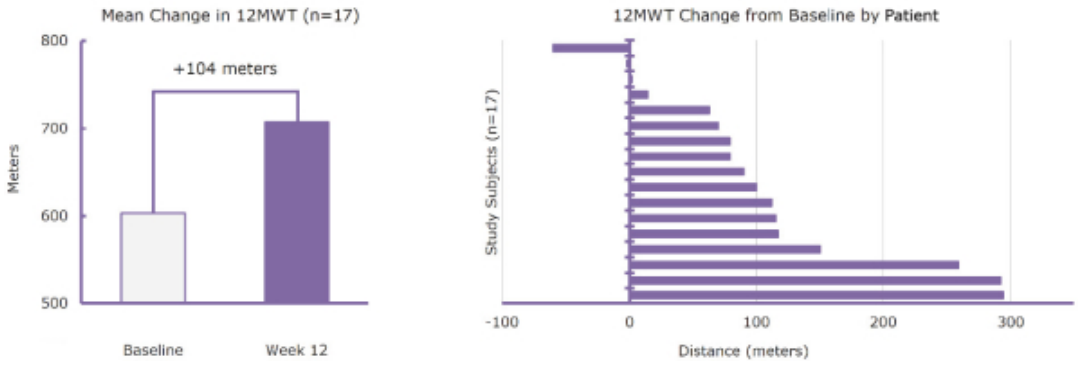


Figure 5a. REN001-treated PMM patients had improved 12MWT distances after 12 weeks of treatment

The largest improvement in distance walked in the 12MWT at week 12 occurred in the second half of the 12-minute period (Figure 5b), which we believe is consistent with REN001's mechanism of action. We expect REN001 to improve muscle cell energy by increasing mitochondrial oxidative phosphorylation, and this process occurs several minutes into exercise (See Figure 1 above).

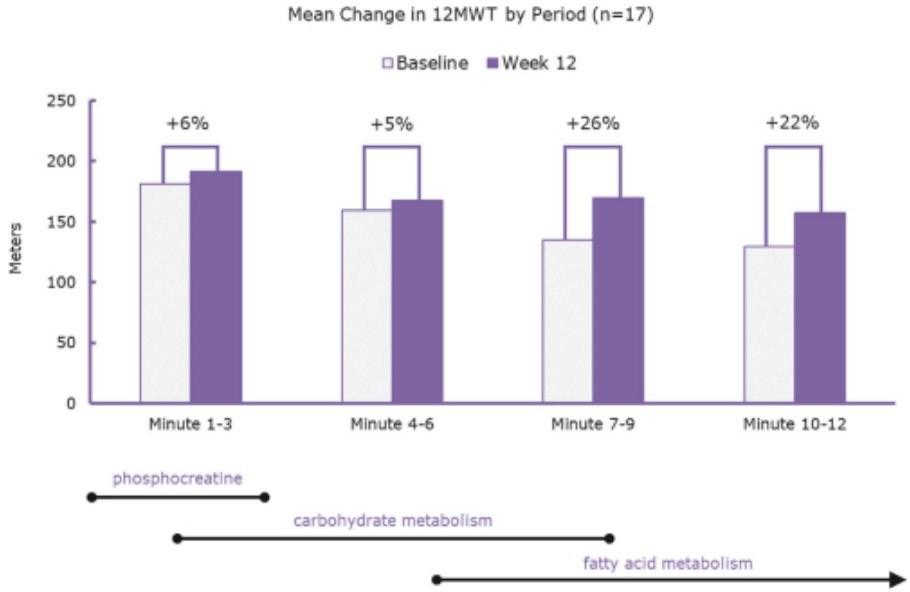


Figure 5b. REN001-treated PMM patients had greatest improvement in walking distances in the latter half of the 12MWT, consistent with the proposed mechanism of REN001 to stimulate fatty acid metabolism

An additional outcome measure in our Phase 1b clinical trial was measurement of peak oxygen consumption during maximal exercise. The amount of oxygen used during maximal exercise is a marker of aerobic capacity and is directly correlated with the ability to metabolize fatty acids which require higher amounts of oxygen than other energy sources such as carbohydrates. An average healthy person has a max peak oxygen consumption of 35 to 40 ml/kg/min for males and 27 to 30 ml/kg/min for females. A max peak oxygen consumption of 14 mL/kg/min or lower has been determined to predict increased mortality in other patient populations (congestive heart failure).

A mean improvement in peak oxygen consumption, as measured by weight adjusted peak oxygen consumption, of 1.7 mL/kg/min was observed at week 12 compared to baseline (Figure 5c).

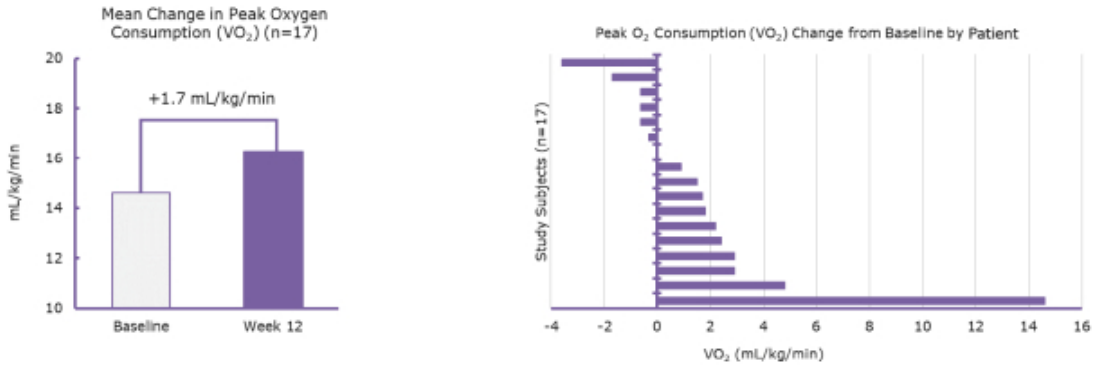


Figure 5c. Peak exercise oxygen consumption increased in PMM patients after 12 weeks of REN001 treatment.

Another outcome measure was the sub-maximal exercise test. This test is conducted using a stationary bike for 30 minutes of cycling at 60% of the patient's maximal capacity. Only 7 of the 17 patients (41%) were able to complete the 30-minute test at baseline compared to 11 of 17 patients (65%) after 12 weeks of REN001 treatment. Overall, a mean improvement of approximately 3 minutes was observed at week 12 compared to baseline, with no increase in heart rate or perceived exertion.

A 30-second sit-to-stand test was also performed. The 30-second sit-to-stand test measures lower extremity strength and endurance which are needed for daily activities such as climbing stairs, getting out of a chair or bathtub, or rising from a horizontal position. Patients are asked to stand from a sitting position in a chair as many times as possible in 30 seconds and to do so without the use of their arms. At baseline, the PMM patients in our Phase 1b clinical trial were able to perform this task 6.9 times, which is worse than the typical performance of an elderly person in his or her late 80s. After 12 weeks of treatment with REN001, patients were able to complete the task 8.5 times. Because this test is completed in only 30 seconds, the improvement in performance is more likely due to increased muscle strength rather than improvements in FAO. As shown in Figure 5d below, approximately 40% of PMM patients showed improvements in lower extremity, muscle strength and stamina after 12 weeks of REN001 treatment as evaluated with the 30-second sit-to-stand test.

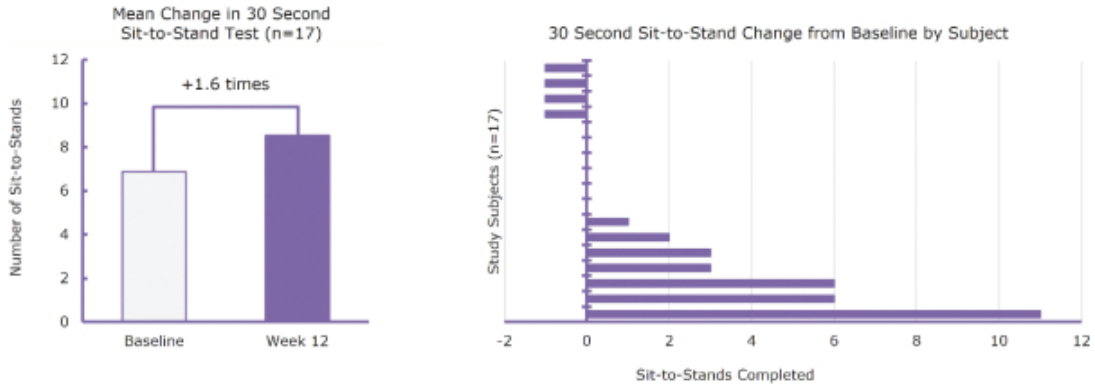


Figure 5d. PMM patients showed improvements in lower extremity muscle strength and stamina after 12 weeks of REN001 treatment as evaluated with the 30-second sit to stand test

Patient Reported Outcome (Evaluation of Symptoms)

The Brief Pain Inventory (BPI) measures the patient's perception of pain and the degree that pain interferes with function over the past 24 hours. The BPI score scales range from 0 to 10, with a lower score representing less pain. As illustrated in the left chart in Figure 5e, after 12 weeks of 100 mg once-daily dosing with REN001, the patients that reported pain at baseline (n=14), had a mean improvement in the BPI score from 4.5 at baseline to 3.5 at 12 weeks.

The Modified Fatigue Impact Scale (MFIS) is a questionnaire that measures both the frequency and impact of fatigue on patients physical, cognitive, and psychosocial functioning over a 4-week period. The total MFIS score scales range from 0 to 84, with a lower score representing less fatigue. As illustrated in in the middle chart in Figure 5e, after 12 weeks of 100 mg once-daily dosing with REN001, patients (n=17) had a mean improvement in the MFIS score from 50 at baseline to 40 at 12 weeks.

The Short Form Health Survey (SF-36) is a 36-item questionnaire that assesses general health including physical activities, mental health, pain, and properties such as energy and fatigue over four weeks. Each domain of the SF-36 can range from 0 to 100, with a higher score representing improvement. As illustrated in in the right chart in Figure 5e, after 12 weeks of 100 mg once-daily dosing with REN001, patients (n=17) had a mean improvement in the SF-36 energy/fatigue subscale from 28 at baseline to 39 at 12 weeks.

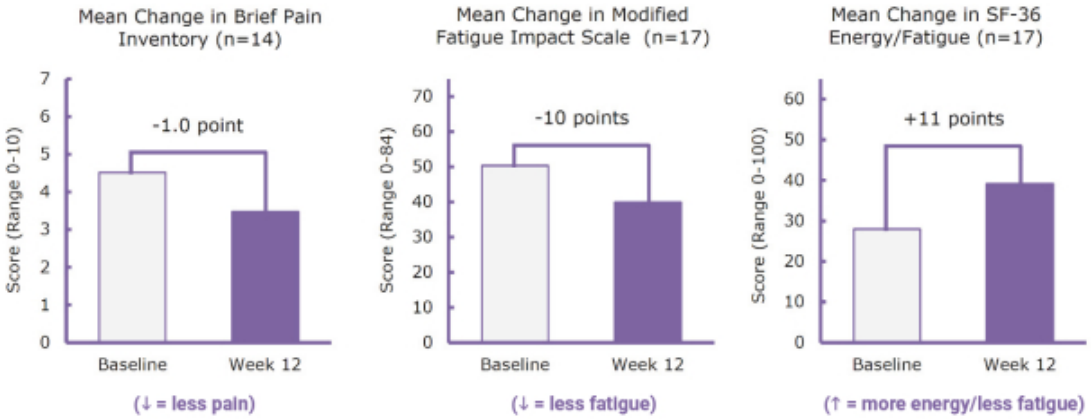


Figure 5e. Mean Change from Baseline to Week 12 in Patient Reported Outcome Questionnaires in patients with PMM participating in the Phase 1b clinical trial.

Clinical development plans in PMM

We have initiated a global Phase 2b clinical trial of REN001 in patients with PMM and expect to start enrolling patients in the first half of 2021 (STRIDE study). STRIDE is a randomized, double-blind, placebo-controlled, multi-center clinical trial designed to investigate the efficacy and safety of 100 mg REN001 administered once daily over a 24-week period to patients with PMM. We anticipate enrolling approximately 200 adult patients with alterations in mtDNA with a history of myopathy. The primary endpoint of the trial is the change from baseline in the distance walked during the 12MWT at 24 weeks. Secondary endpoints include patient-reported outcomes from baseline including the MFIS, and the Patient Global Impression of Change scale (PGIC).

Other exploratory endpoints include the 30-second sit-to-stand, step counts and additional patient-reported outcome measures. Data from this trial is expected to be available in 2023. We also plan to evaluate in parallel, the long-term safety and tolerability of REN001 in an open label extension trial, which will enroll a subset of the patients from the Phase 2b clinical trial. Based on interactions with U.S. and several European regulatory agencies, we believe that positive results from the STRIDE study and long-term safety trial could support registration of REN001 for PMM in both the United States and in Europe.

REN001 for the Treatment of LC-FAOD

Ongoing Phase1b in LC-FAOD

We submitted an IND in November 2018 and are currently enrolling an open-label Phase 1b clinical trial in adult patients with LC-FAOD. The primary objective of the trial is to evaluate the safety and tolerability of REN001 in the LC-FAOD patient population, and we will also explore multiple clinical outcomes. We initiated the trial with a dose of 50 mg once daily in the first three patients followed by 100 mg once daily in all subsequent patients. We plan to enroll approximately 24 patients in this trial and anticipate results in the first half of 2022. We obtained data from the first six patients who completed 12 weeks of dosing, and both doses have been well tolerated. As shown in Figure 6, after 12 weeks of treatment with REN001, 5 of the 6 patients showed an improvement in the 12MWT, with 4 of the 6 showing an improvement over 50 meters. Improvements in symptoms, including a decrease in MFIS and BPI and an increase in SF-36, were also observed in several patients.

Mean Change from Baseline to Week 12					
Patient	12MWT (meters)	MFIS	BPI	SF-36 Physical Functioning	SF-36 Energy/ Fatigue
1	-82	-5	0	10	5
2	3	16	0.75	-15	-15
3	58	2	0	5	-5
4	61	-9	-0.5	10	20
5	74	-10	-1.5	5	40
6	120	-8	-0.75	10	25

Figure 6. Results from the first six LC-FAOD patients dosed with REN001 in a Phase 1b clinical trial

LC-FAOD prospective survey study

We are also conducting a non-interventional, international study in approximately 90 adult patients with LC-FAOD to better understand disease characteristics of patients (FORWARD study). We plan to evaluate patients prospectively with exercise tests and symptom questionnaires. This study will also include work for validation of a new Reneo-developed patient questionnaire focused on muscle symptoms in LC-FAOD, which we plan to use in future trials. We anticipate results of this study in the second half of 2022.

REN001 for the Treatment of McArdle Disease

Ongoing Phase1b in McArdle disease

We are currently enrolling an open-label Phase 1b clinical trial in adult patients with McArdle disease. The primary objective of the trial is to evaluate the safety and tolerability of REN001 in the McArdle patient population, and we will also explore multiple clinical outcomes such as muscle symptoms, physical function, and work productivity. In this clinical trial, patients are dosed with 100 mg REN001 once daily for 12 weeks. Patients will be evaluated using a combination of exercise tests such as the 12-minute *shuttle* walk test, which assesses aerobic capacity and the ‘second-wind’ by measuring the distance a patient walks per minute and the associated heart rate and patient reported symptom of perceived pain. We plan to enroll approximately 19 patients in this trial, with data anticipated in the first half of 2022.

Prior Clinical Trial Supporting REN001 Development in Mitochondrial Myopathies

Limb impairment Phase 1 clinical trial in healthy volunteers

In a prior placebo-controlled Phase 1 clinical trial completed by vTv Therapeutics, 24 healthy volunteers were randomized 1:1 to receive 4 weeks of treatment with either 100 mg REN001 orally twice daily (n=12) or placebo (n=12). In the trial, all volunteers had one leg immobilized with a brace for the first 14 days in order to cause muscle atrophy and weakness. Changes from baseline in muscle strength and gene expression from muscle biopsies were evaluated at various timepoints throughout the clinical trial. REN001 treated volunteers had substantially more leg strength than placebo treated volunteers immediately and one week after the removal of the leg brace. No SAEs related to REN001 were reported, and TEAEs were similar among subjects who received REN001 or placebo.

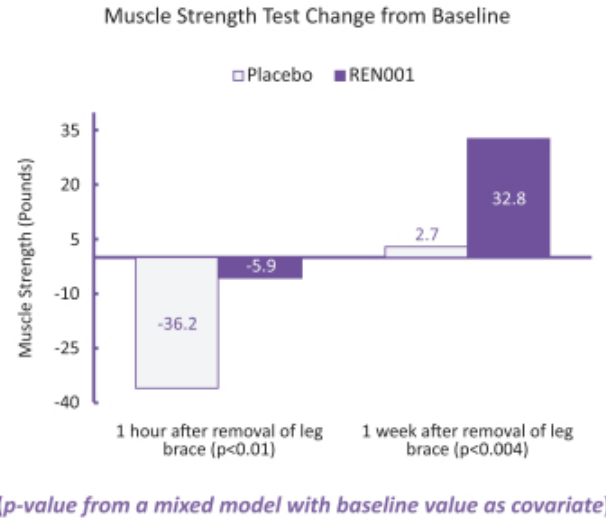


Figure 7. Results from the muscle strength test from a Phase 1 clinical trial in healthy volunteers

Muscle biopsies were collected and analyzed for changes in messenger RNA (mRNA) expression of PPARd-regulated genes involved in mitochondrial biogenesis and function. Muscle biopsies obtained from REN001 treated individuals showed substantial increases in the mRNA expression of the following PPAR-regulated genes compared to placebo-treated controls:

- **Pyruvate dehydrogenase lipoamide kinase isozyme 4 (PDK4)**, encodes a mitochondrial protein. This kinase plays a key role in regulation of glucose and fatty acid metabolism.
- **Angiopoietin-like 4 (ANGPTL4)** is a target of PPARs. The encoded protein is a serum hormone directly involved in regulating lipid metabolism.
- **Solute carrier family 25 member 34 (SLC25A34)** belongs to the SLC25 family of mitochondrial carrier proteins. Members of the solute carrier family 25 are known to transport molecules over the mitochondrial membrane.

Figure 8 below depicts the changes over time in mRNA expression of PPARd-regulated genes from muscle biopsies obtained from healthy volunteers following treatment with REN001.

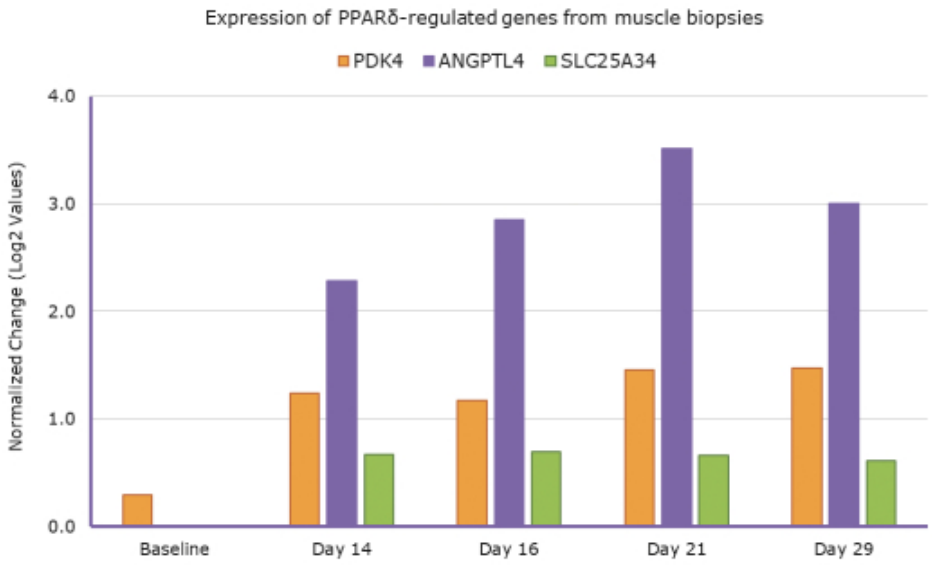


Figure 8. Change in PPARd-regulated Gene Expression from Human Muscle Following REN001 Treatment from a Phase 1 clinical trial in healthy volunteers.

Safety

Overall, REN001 has been well tolerated in all clinical trials conducted as of January 31, 2021. There have been no deaths or drug related SAEs reported. Most observed TEAEs were mild or moderate in severity. In clinical trials where patients were randomized to REN001 or placebo, the incidence and severity of adverse events were similar among individuals who received REN001 or placebo.

Preclinical results and plans

A substantial package of preclinical data along with Phase 1 clinical data was in-licensed from vTv Therapeutics. This package has been expanded through additional *in vitro and in vivo* studies to support the future registration of REN001. In these studies, it has been observed that REN001 is a potent and selective agonist of PPARd with an EC_{50} value of 31 nM for PPARd and over 300-fold increased selectivity over PPARa and PPARg. REN001 has shown minimal or no activity against other ligand-activated nuclear receptors. These other receptors, including the liver X (LXRs) and farnesoid X (FXRs) receptors, were evaluated because they have a role in regulating lipid homeostasis and energy metabolism. REN001 has also been evaluated for these receptors in transcriptional assays with similar findings (Figure 9).

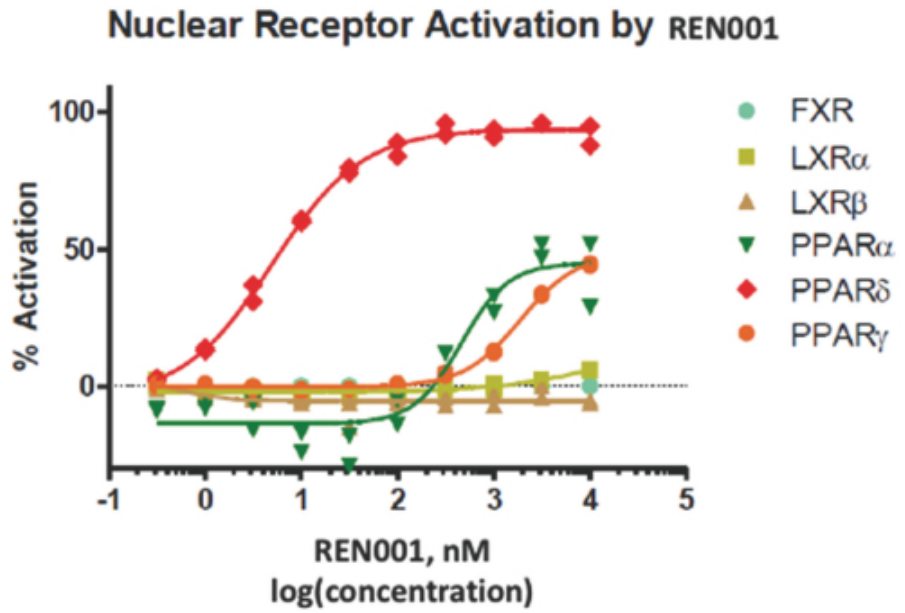


Figure 9. REN001 is a selective agonist of PPARd

To access effects of REN001 on fatty acid oxidation, incubation of REN001 on XM5 human muscle cell line with REN001 demonstrated a concentration-dependent increase in FAO as shown in Figure 10 below.

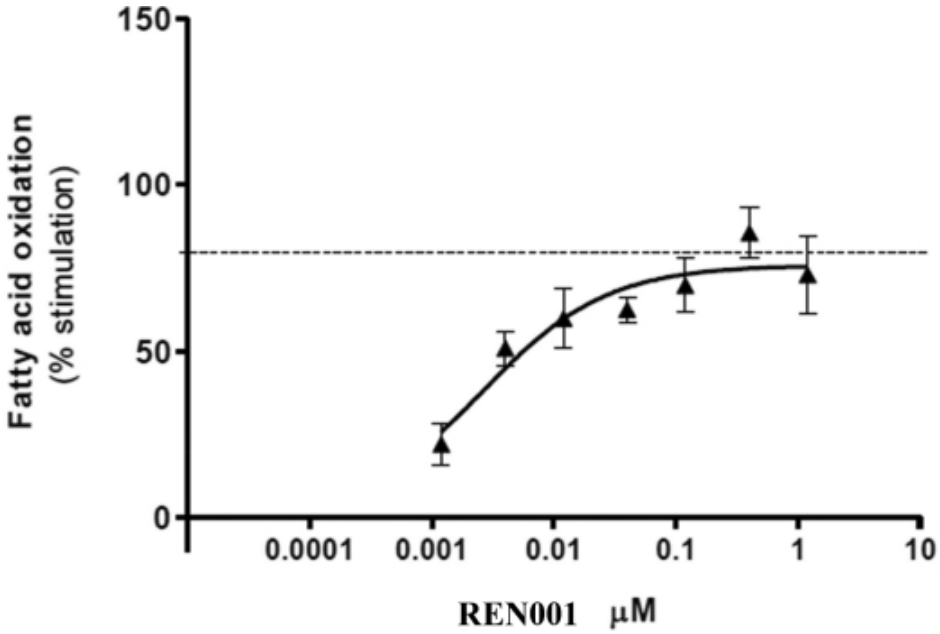


Figure 10. REN001 led to a concentration-dependent increase in FAO in XM5 human muscle cell line

In an *in vivo* experiment, administration of REN001 to mice led to increased expression of a number of FAO genes and genes involved in mitochondrial biogenesis including PGC1a, a fatty acid transcriptional co-factor; CPT1B, the rate-limiting enzyme in the transport of fatty acids into the mitochondria; PDK4, a negative regulator of glucose metabolism; and UCP3, a carrier protein involved in regulating metabolic rate in muscle cells (Figure 11).

Gene	Name	Description	Fold-change over vehicle (SEM)
PGC1α	PPARγ co-activating factor 1α	Mitochondrial Biogenesis	1.65 (0.19)
CPT1B	Carnitine palmitoyltransferase 1B	Fatty acid metabolism	1.35 (0.15)
PDK4	Pyruvate dehydrogenase kinase	Fatty acid metabolism	1.88 (0.17)
UCP3	Mitochondrial uncoupling protein 3	Fatty acid metabolism	2.29 (0.27)

Figure 11. The transcription of fatty acid metabolism genes was increased after seven days of dosing with REN001 in mice

PPARa and PPARg agonists have been approved for dyslipidemia and glycemic control in diabetes mellitus, respectively. Liver and cardiac toxicity associated with PPAR drugs have been observed. Certain non-selective PPAR agonists have shown carcinogenicity signals in preclinical studies. Current FDA guidance requires sponsor companies developing PPAR agonists to complete carcinogenicity studies prior to conducting clinical studies longer than 6-months in duration. We are unaware of any data suggesting that there is a clinical cancer risk with selective PPARd agonists. CymaBay Therapeutics clinical development programs includes dosing the selective PPARd agonist seladelpar for up to 52 weeks and is currently conducting a 60-month open label, long-term safety and tolerability study. Astellas Pharma has announced it intends to conduct a Phase 2/3 clinical trial of up to 52-weeks with ASP0367, a selective PPARd agonist. Collectively, this suggests that both seladelpar and ASP0367 have been cleared in two-year carcinogenicity studies and that there is no evidence of a carcinogenicity signal for the selective PPARd agonist class. We are currently conducting the required two-year carcinogenicity studies with REN001.

We have completed a 6-month toxicology study in rats and a 12-month toxicology study in primates. No adverse effects associated PPARa or PPARg agonists were observed with administration of REN001 at any dose level.

Potential applications of REN001 in other indications

We intend to investigate the potential of REN001 in other rare disease indications in which energy deficits have been implicated in disease pathology. For example, patients with a number of muscular dystrophies, including DMD, also suffer from muscle weakness. Studies in mdx mouse models of DMD have shown that muscle cells are deficient in their ability to metabolize fatty acids and activating PPARd resulted in improvement in mitochondrial function. Consistent with literature reports, we have observed in a mouse mdx model that REN001 improved the time-to-exhaustion, decreased serum levels of creatine kinase, a biomarker of muscle damage, and increased the expression of genes associated with FAO.

In addition to muscle cells, PPARd is also expressed in the kidney where it has been shown to be involved in protecting the kidney from inflammatory damage associated with acute kidney disease. During periods of ischemia, kidney cells undergo programmed cell death, or apoptosis, through a process that is dependent on mitochondrial proteins. PPARd agonists have been shown to inhibit this process. We have shown that treatment with REN001 also protects against renal damage in both a rat surgical model of ischemic kidney disease and in a mouse model of the genetic kidney disease known as Alport syndrome.

Sales and Marketing

We currently do not have a commercial organization for the marketing, sales, and distribution of pharmaceutical products. We plan to build a fully integrated rare disease pharmaceutical company and will retain commercial rights to REN001 in the United States and key European markets. For other territories, we will seek strategic partnerships to bring REN001 to market with the goal of establishing REN001 as the standard of care around the world. We may also opportunistically seek strategic collaborations to benefit from the resources of biopharmaceutical companies specialized in either relevant disease areas or geographies.

License Agreement with vTv Therapeutics LLC

On December 21, 2017, we entered into a License Agreement with vTv Therapeutics, under which we obtained an exclusive, worldwide, sublicensable license under vTv Therapeutics intellectual property relating to vTv Therapeutics' PPARd agonist program, to develop, manufacture and commercialize PPARd agonists and products containing such PPARd agonists, including REN001, or licensed products, for any therapeutic, prophylactic or diagnostic application in humans.

Under the terms of the vTv License Agreement, we made an upfront payment of $3.0 million to vTv Therapeutics and issued to vTv Therapeutics shares of our common stock representing a minority interest in our outstanding equity. Upon the achievement of certain development and regulatory milestones, we are required to pay vTv Therapeutics milestone payments totaling up to $64.5 million. We are also required to pay vTv Therapeutics up to $30 million in total sales-based milestones upon achievement of certain sales thresholds of the licensed product. In addition, we are obligated to make royalty payments to vTv Therapeutics at mid-single digit to low teen percentage royalty rates, based on tiers of annual net sales of licensed products, subject to certain customary reductions. Such royalties will be payable on a licensed product-by-licensed product and country-by-country basis until the latest of (i) expiration of the licensed patents covering a licensed product in a country, (ii) expiration of regulatory exclusivity rights for a licensed product in a country and (iii) a specified number of years after the first commercial sale of a licensed product in a country.

Under the terms of the vTv License Agreement, we have sole authority and responsibility for the worldwide development and commercialization of the licensed products, at our cost, subject to certain diligence obligations to use commercially reasonable efforts with respect to specified development and commercialization efforts, including seeking approval for and commercializing at least one product in two major markets.

The vTv License Agreement, unless terminated earlier, will continue until expiration of the last to expire royalty term. Either party may terminate the vTv License Agreement for the other party's uncured material breach or insolvency. We may terminate the vTv License Agreement at will upon prior written notice. Upon expiration (but not earlier termination) of the vTv License Agreement, the licenses granted to us will survive on a royalty-free basis in perpetuity. If the vTv License Agreement terminates before a certain development stage, we are required to, upon vTv Therapeutics' request, (i) grant to vTv Therapeutics an exclusive, worldwide, royalty-free, fully paid, perpetual, irrevocable, sublicensable license under our intellectual property solely for vTv Therapeutics and its sublicensees to develop, manufacture, and commercialize the licensed products for any therapeutic, prophylactic or diagnostic application in humans and (ii) assign and transfer to vTv Therapeutics all regulatory materials and approvals related to the licensed product. If the vTv License Agreement terminates after a certain development stage, we are required to, upon vTv Therapeutics' request, (i) grant to vTv Therapeutics a non-exclusive, worldwide, royalty-free, fully paid, perpetual, irrevocable, sublicensable license under our intellectual property solely for vTv Therapeutics and its sublicensees to develop, manufacture, and commercialize the licensed products for any therapeutic, prophylactic or diagnostic application in humans or (ii) if vTv Therapeutics agrees to pay us a low single digit percentage royalty on net sales of licensed products by vTv Therapeutics, then such license grant to vTv Therapeutics will be exclusive, and we will assign and transfer to vTv Therapeutics all regulatory materials and approvals related to the licensed product.

Intellectual Property

The proprietary nature of, and protection for, REN001, any future product candidates, and other proprietary technologies are important to our business. We strive to protect our product candidates and other proprietary technologies, processes and know-how through a variety of methods. In regards to our product candidates, we seek and maintain patents intended to cover our products and compositions, their methods of use for treating diseases, the processes for their manufacture, and, as our product candidates proceed through clinical studies, the innovations that arise from these efforts. As a result, we seek to obtain domestic and international (*i.e.*, PCT) patent protection and endeavor to promptly file patent applications for new commercially valuable inventions to expand our intellectual property portfolio. Our policy is to pursue, maintain and defend patent rights in strategic areas, whether developed internally or licensed from third parties, and to protect the technology, inventions and improvements that are commercially important to the development of our business. We also rely on trade secrets and other proprietary know how that may be important to the development of our business.

We have developed and continue to expand our patent portfolio for REN001. As of January 31, 2021, we have licensed from vTv Therapeutics six issued patents in the United States and 19 issued patents in foreign countries, including Australia, Canada, Great Britain, Germany, France, Austria, Belgium, Switzerland, Spain, Ireland, Italy, the Eurasian Patent Organization, Israel, Japan, South Korea, Mexico, New Zealand, South Africa, and Taiwan covering composition of matter of REN001, among other things, which are expected to expire in 2026, absent any patent term adjustments or extensions. Additionally, we have licensed three issued patents in the United States, five issued patents in foreign countries, including Germany, Spain, France, Great Britain, and Italy, one pending application in the United States, and two pending applications in foreign countries, including Canada and Europe, from vTv Therapeutics covering methods of using REN001, which are expected to expire in 2034, absent any patent term adjustments or extensions.

In addition to the licensed vTv Therapeutics patents and applications relating to REN001, as of January 31, 2021, we have filed our own patent applications, of which one is an issued patent in Lebanon, four are pending applications in the United States, three are pending international patent applications, and two are pending in Taiwan. These issued patents and pending applications are directed to various methods of use, methods of manufacturing, and crystalline forms (polymorphs) of REN001. These patent applications, if issued, would be expected to expire between 2040 and 2042, absent any patent term adjustments or extensions. Patents related to REN001 may be eligible for patent term extensions in certain jurisdictions, including up to five years in both the United States and the EU, upon approval of a commercial use of the corresponding product by a regulatory agency in the jurisdiction where the patent was granted.

In addition, we currently have Orphan Drug Designation for REN001 for the treatment of LC-FAOD and PMM in the United States and LCHAD deficiency and mitochondrial encephalomyopathy, lactic acidosis, and neurological stroke-like episodes in the EU, providing the opportunity to receive seven years of orphan exclusivity in the United States (upon approval of NDA), and ten years of market exclusivity in the EU (upon receipt of marketing authorization).

As REN001 has not previously been approved in the United States for any indication, REN001 may be eligible for five years of new chemical entity exclusivity upon approval in the United States, where such exclusivity would run concurrently with its seven years of orphan drug exclusivity, if we obtain orphan drug exclusivity for its approved uses. Further, as REN001 has not previously been approved in the EU for any indication, REN001 may be eligible for eight years of data exclusivity upon approval in the EU, as well as two years of market exclusivity. In the EU, an additional one year of exclusivity may be obtained if REN001 is approved for a new indication that provides a significant clinical benefit.

In addition to patent protection around REN001, we have also licensed from vTv Therapeutics three issued patents in the United States and 20 issued patents in foreign countries, including Germany, France, Great Britain, Switzerland, Spain, Ireland, Italy, Canada, India, Japan, South Korea, Mexico, and Taiwan directed to composition of matter around other PPARd agonists.

The term of individual patents depends upon the legal term of the patents in the countries in which they are obtained. In most countries in which we file, the patent term is 20 years from the earliest date of filing a non-provisional patent application. In the United States, the patent term of a patent that covers an FDA-approved drug may also be eligible for patent term extension, which permits patent term restoration as compensation for the patent

term lost during the FDA regulatory review process. The Hatch-Waxman Act permits a patent term extension of up to five years beyond the expiration of the patent. Patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval, only one patent applicable to an approved drug may be extended and only those claims covering the approved drug, a method of using it, or a method for manufacturing it may be extended. Similar provisions are available in Europe and some other foreign jurisdictions to extend the term of a patent that covers an approved drug. In the future, if and when our products receive FDA approval, we expect to apply for patent term extensions on patents covering those products. We plan to seek patent term extensions from applicable authorities, including the United States Patent and Trademark Office (USPTO) in the United States, to any of our issued patents covering REN001, and any future product candidates, in any jurisdiction where these patent term extensions are available. There is no guarantee that the applicable authorities, including the USPTO in the United States, will agree with our assessment of whether such extensions should be granted, and if granted, the length of such extensions. For more information regarding the risks related to our intellectual property, see “Risk Factors—Risks Related to Our Intellectual Property.”

We also seek to protect our intellectual property in part by entering into confidentiality agreements with companies with whom we share proprietary and confidential information in the course of business discussions, and by having confidentiality terms in our agreements with our employees, consultants, scientific advisors, clinical investigators, and other contractors and also by requiring our employees, commercial contractors, and certain consultants and investigators, to enter into invention assignment agreements that grant us ownership of any discoveries or inventions made by them while in our employ.

In addition to patent protection, we also rely on trademark registration, trade secrets, know how, other proprietary information and continuing technological innovation to develop and maintain our competitive position. We seek to protect and maintain the confidentiality of proprietary information of our business that is not amenable to, or that we do not consider appropriate for, patent protection. We take steps to protect our proprietary information, including trade secrets and unpatented know-how, by entering into confidentiality agreements with third parties, and confidential information and inventions agreements with employees, consultants and advisors. However, we cannot provide any assurances that all such agreements have been duly executed, and any of these parties may breach the agreements and disclose our proprietary information, including our trade secrets and unpatented know-how, and we may not be able to obtain adequate remedies for such breaches. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets. For more information regarding the risks related to our intellectual property, see “Risk Factors—Risks Related to Our Intellectual Property.”

Manufacturing

We do not own or operate manufacturing facilities. We rely on contract manufacturing organizations (CMOs) to produce REN001 in accordance with the FDA’s current Good Manufacturing Practices (cGMP) regulations for use in our clinical trials. The manufacture of pharmaceuticals for human use is subject to extensive cGMP regulations, which impose various procedural and documentation requirements and govern all areas of record keeping, production processes and controls, personnel training, and quality control. We obtain our supplies from these CMOs on a purchase order basis and do not have long-term supply arrangements in place. We believe there are multiple sources for all of the materials required for the manufacture of REN001. As REN001 advances through development, we expect to enter into longer-term commercial supply agreements with key suppliers and manufacturers to fulfill and secure our production needs. Our relationships with CMOs are managed by internal personnel with extensive experience in pharmaceutical development and manufacturing.

Competition

The biotechnology and pharmaceutical industries are characterized by rapid technological advancement, significant competition and an emphasis on intellectual property. We face potential competition from many different sources, including major and specialty pharmaceutical and biotechnology companies, academic research institutions, governmental agencies and public and private research institutions. Any product candidates that we successfully develop and commercialize will compete with current therapies and new therapies that may become available in the future.

Many of our competitors have substantially greater financial, technical and other resources, such as larger research and development staff and experienced marketing and manufacturing organizations and well-established sales forces. Mergers and acquisitions in the pharmaceutical, biotechnology and oncology industries may result in even more resources being concentrated among a smaller number of our competitors. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient or less expensive than any products we may develop. Our competitors also may obtain FDA or other regulatory approval for their product candidates more rapidly than we may obtain approval for ours, which could result in competitors establishing a strong market position before we are able to enter the market. We believe that the key competitive factors affecting the success of any of our product candidates, if approved, will include efficacy, combinability, safety profile, convenience, cost, level of promotional activity devoted to them and intellectual property protection.

There are no approved therapies indicated for the treatment of PMM in any country. Physicians attempt to treat symptoms in patients with drugs or vitamins and supplements. For example, anti-convulsant drugs are used to prevent or control seizures. Astellas Pharma is also developing a PPARd agonist for PMM and has announced that it is initiating a Phase 2/3 trial in the first quarter of 2021. Other companies are developing therapies for mitochondrial diseases, including Abliva AB, Cyclerion Therapeutics, Inc. and Khondrion B.V.

There is one product approved in the United States for LC-FAOD. In June 2020, a new form of MCT called Dojolvi (triheptanoin) was approved and indicated in the United States as a source of calories for LC-FAOD patients. However, Dojolvi has not demonstrated clear functional benefits on endurance in clinical trials. There are no approved therapies indicated for the treatment of McArdle disease in any country. We are not aware of any drug interventional studies underway or currently announced for LC-FAOD or for McArdle disease.

Furthermore, it is possible that other companies are also engaged in discovery or nonclinical development of product candidates for PMM, LC-FAOD and McArdle Disease. These competitors, if successful in clinical development, may achieve regulatory approval and market adoption in advance of our product candidates, constraining our ability to gain significant market share for such product candidates. In addition, our product candidates, if approved, will complete with multiple approved products or products that may be approved for future indications for which we develop such product candidate.

Government Regulation and Product Approval

As a pharmaceutical company that operates in the United States, we are subject to extensive regulation. Government authorities in the United States (at the federal, state, and local level) and in other countries extensively regulate, among other things, the research, development, testing, manufacturing, quality control, approval, labeling, packaging, storage, record-keeping, promotion, advertising, distribution, post-approval monitoring and reporting, marketing, and export and import of drug products such as those we are developing. Any drug candidates that we develop must be approved by the U.S. Food and Drug Administration (FDA) before they may be legally marketed in the United States and by the appropriate foreign regulatory agency before they may be legally marketed in foreign countries. Generally, our activities in other countries will be subject to regulation that is similar in nature and scope as that imposed in the United States, although there can be important differences. Additionally, some significant aspects of regulation in the EU are addressed in a centralized way, but country-specific regulation remains essential in many respects.

U.S. Drug Development Process

In the United States, the FDA regulates drugs under the Federal Food, Drug and Cosmetic Act (FDCA) and implementing regulations. Drugs are also subject to other federal, state, and local statutes and regulations. The process of obtaining regulatory approvals and the subsequent compliance with appropriate federal, state, local and foreign statutes and regulations require the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements at any time during the product development process, approval process

or after approval, may subject an applicant to administrative or judicial sanctions. FDA sanctions could include, among other actions, refusal to approve pending applications, withdrawal of an approval, a clinical hold, warning letters, product recalls or withdrawals from the market, product seizures, total or partial suspension of production or distribution injunctions, fines, refusals of government contracts, restitution, disgorgement, or civil or criminal penalties. The process required by the FDA before a drug may be marketed in the United States generally involves the following:

- completion of extensive preclinical laboratory tests, preclinical animal studies and formulation studies in accordance with applicable regulations, including the FDA's Good Laboratory Practices (GLP) regulations, and other applicable regulations;
- submission to the FDA of an IND, which must become effective before human clinical trials may begin;
- approval by an IRB at each clinical site before each clinical trial may be initiated;
- performance of adequate and well-controlled human clinical trials in accordance with applicable regulations, including the FDA's current good clinical practices (GCP) regulations to establish the safety and efficacy of the proposed drug for its proposed indication;
- submission to the FDA of a new drug application (NDA) for a new drug;
- a determination by the FDA within 60 days of its receipt of an NDA to file the NDA for review;
- satisfactory completion of an FDA pre-approval inspection of the manufacturing facility or facilities where the drug is produced to assess compliance with the FDA's current cGMP requirements to assure that the facilities, methods and controls are adequate to preserve the drug's identity, strength, quality, and purity;
- potential FDA audit of the preclinical and/or clinical trial sites that generated the data in support of the NDA;
- satisfactory completion of an FDA advisory committee review, if applicable; and
- FDA review and approval of the NDA prior to any commercial marketing or sale of the drug in the United States.

Before testing any compounds with potential therapeutic value in humans, the drug candidate enters the preclinical testing stage. Preclinical tests include laboratory evaluations of product chemistry, toxicity, and formulation, as well as animal studies, to assess the potential safety and activity of the drug candidate. The conduct of the preclinical tests must comply with federal regulations and requirements, including GLPs. The sponsor must submit the results of the preclinical tests, together with manufacturing information, analytical data, any available clinical data or literature and a proposed clinical protocol, to the FDA as part of the IND. An IND is a request for authorization from the FDA to administer an investigational drug product to humans. The central focus of an IND submission is on the general investigational plan and the protocol(s) for human trials. Some preclinical testing may continue even after the IND is submitted. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA raises concerns or questions regarding the proposed clinical trials and places the IND on clinical hold within that 30-day time period. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. The FDA may also impose clinical holds on a drug candidate at any time before or during clinical trials due to safety concerns or non-compliance.

Clinical trials involve the administration of the drug candidate to healthy volunteers or patients under the supervision of qualified investigators, generally physicians not employed by or under the trial sponsor's control, in accordance with GCP requirements, which include the requirement that all research subjects provide their informed consent for their participation in any clinical trial. Clinical trials are conducted under protocols detailing, among other things, the objectives of the clinical trial, dosing procedures, subject selection and exclusion criteria and the parameters to be used to monitor subject safety and assess efficacy. Each protocol, and any subsequent amendments to the protocol, must be submitted to the FDA as part of the IND. Further, each clinical trial must be reviewed and approved by an IRB or ethics committee, at or servicing each institution at which the clinical trial will be conducted. An IRB is charged with protecting the welfare and rights of trial participants and considers such items as whether the risks to individuals participating in the clinical trials are minimized and are reasonable in relation to anticipated benefits. The IRB also approves the informed consent form that must be provided to each clinical trial subject or his or her legal representative and must monitor the clinical trial until completed. There are also requirements governing the reporting of ongoing clinical trials and completed clinical trial results to public registries.

Human clinical trials are typically conducted in three sequential phases that may overlap or be combined:

- *Phase 1*. The drug is initially introduced into healthy human subjects and tested for safety, dosage tolerance, absorption, metabolism, distribution, and excretion, the side effects associated with increasing doses and if possible, to gain early evidence of effectiveness. In the case of some products for severe or life-threatening diseases, especially when the product may be too inherently toxic to ethically administer to healthy volunteers, the initial human testing is often conducted in patients.
- *Phase 2*. The drug is evaluated in a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases or conditions and to determine dosage tolerance, optimal dosage, and dosing schedule.
- *Phase 3*. Clinical trials are undertaken to further evaluate dosage, clinical efficacy and safety in an expanded patient population at geographically dispersed clinical trial sites. These clinical trials are intended to establish the overall benefit/risk ratio of the product and provide an adequate basis for product approval. Generally, two adequate and well-controlled Phase 3 clinical trials are required by the FDA for approval of an NDA.

In some cases, FDA may require, or sponsors may voluntarily pursue, post-approval studies, or Phase 4 clinical trials, that are conducted after initial marketing approval. These trials are used to gain additional experience from the treatment of patients in the intended therapeutic indication. In certain instances, such as with accelerated approval drugs, FDA may mandate the performance of Phase 4 trials. In certain instances, the FDA may mandate the performance of Phase 4 clinical trials as a condition of approval of an NDA.

Progress reports detailing the results of the clinical trials must be submitted at least annually to the FDA and written IND safety reports must be submitted to the FDA and the investigators for serious and unexpected adverse events or any finding from tests in laboratory animals that suggests a significant risk for human subjects. Phase 1, Phase 2, and Phase 3 clinical trials may not be completed successfully within any specified period, if at all. The FDA, the IRB, or the sponsor may suspend or terminate a clinical trial at any time on various grounds, including a finding that the research subjects or patients are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the IRB's requirements or if the drug has been associated with unexpected serious harm to patients. Additionally, some clinical trials are overseen by an independent group of qualified experts organized by the clinical trial sponsor, known as a data safety monitoring board or committee. This group provides authorization for whether or not a trial may move forward at designated check points based on access to certain data from the trial.

Concurrent with clinical trials, companies usually complete additional animal studies and must also develop additional information about the chemistry and physical characteristics of the drug as well as finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the drug candidate and, among other things, must develop methods for testing the identity, strength, quality, and purity of the final drug. Additionally, appropriate packaging must be selected and tested and stability studies must be conducted to demonstrate that the drug candidate does not undergo unacceptable deterioration over its shelf life.

U.S. Review and Approval Processes

Assuming successful completion of all required testing in accordance with all applicable regulatory requirements, the results of product development, preclinical studies and clinical trials, along with descriptions of the manufacturing process, analytical tests conducted on the chemistry of the drug, proposed labeling and other relevant information are submitted to the FDA as part of an NDA requesting approval to market the product. Data may come from company-sponsored clinical trials intended to test the safety and effectiveness of a use of a product, or from a number of alternative sources, including studies initiated by investigators. To support marketing approval, the data submitted must be sufficient in quality and quantity to establish the safety and effectiveness of the investigational drug product to the satisfaction of the FDA. The submission of an NDA is subject to the payment of substantial user fees; a waiver of such fees may be obtained under certain limited circumstances.

The FDA reviews all NDAs submitted before it accepts them for filing and may request additional information rather than accepting an NDA for filing. The FDA must make a decision on accepting an NDA for filing within 60 days of

receipt. Once the submission is accepted for filing, the FDA begins an in-depth review of the NDA. Under the Prescription Drug User Fee Act (PDUFA) guidelines that are currently in effect, the FDA has a goal of ten months from the date of "filing" of a standard NDA for a new molecular entity to review and act on the submission. This review typically takes 12 months from the date the NDA is submitted to FDA because the FDA has approximately two months to make a "filing" decision after it the application is submitted The FDA does not always meet its PDUFA goal dates for standard and priority NDAs, and the review process is often significantly extended by FDA requests for additional information or clarification.

After the NDA submission is accepted for filing, the FDA reviews the NDA to determine, among other things, whether the proposed product is safe and effective for its intended use and whether the product is being manufactured in accordance with cGMP to assure and preserve the product's identity, strength, quality, and purity. The FDA may refer applications for novel drug products or drug products which present difficult questions of safety or efficacy to an advisory committee, typically a panel that includes clinicians and other experts, for review, evaluation, and a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions and typically follows the advisory committee's recommendations.

Before approving an NDA, the FDA will inspect the facilities at which the product is manufactured. The FDA will not approve the product unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. Additionally, before approving an NDA, the FDA may inspect one or more clinical sites to assure compliance with GCP requirements. After the FDA evaluates the application, manufacturing process, and manufacturing facilities, it may issue an approval letter or a Complete Response Letter. An approval letter authorizes commercial marketing of the drug with specific prescribing information for specific indications. A Complete Response Letter indicates that the review cycle of the application is complete, and the application will not be approved in its present form. A Complete Response Letter usually describes all of the specific deficiencies in the NDA identified by the FDA. The Complete Response Letter may require additional clinical data and/or (an) additional pivotal Phase 3 clinical trial(s), and/or other significant and time-consuming requirements related to clinical trials, preclinical studies, or manufacturing. If a Complete Response Letter is issued, the applicant may either resubmit the NDA, addressing all of the deficiencies identified in the letter, or withdraw the application. Even if such data and information is submitted, the FDA may ultimately decide that the NDA does not satisfy the criteria for approval.

If a product receives regulatory approval, the approval may be significantly limited to specific diseases and dosages or the indications for use may otherwise be limited, which could restrict the commercial value of the product. Further, the FDA may require that certain contraindications, warnings, or precautions be included in the product labeling or may condition the approval of the NDA on other changes to the proposed labeling, development of adequate controls and specifications, or a commitment to conduct one or more post-market studies or clinical trials. For example, the FDA may require Phase 4 testing, which involves clinical trials designed to further assess a drug safety and effectiveness, and may require testing and surveillance programs to monitor the safety of approved products that have been commercialized. The FDA may also determine that a risk evaluation and mitigation strategy (REMS) is necessary to assure the safe use of the drug. If the FDA concludes a REMS is needed, the sponsor of the NDA must submit a proposed REMS; the FDA will not approve the NDA without an approved REMS, if required. A REMS could include medication guides, physician communication plans, or elements to assure safe use, such as restricted distribution methods, patient registries, and other risk minimization tools.

Orphan Drug Designation

Under the Orphan Drug Act, the FDA may grant orphan designation to a drug intended to treat a rare disease or condition, which is a disease or condition that affects fewer than 200,000 individuals in the United States or, if it affects more than 200,000 individuals in the United States, there is no reasonable expectation that the cost of developing and making a drug product available in the United States for this type of disease or condition will be recovered from sales of the product. Orphan designation must be requested before submitting an NDA. After the FDA grants orphan designation, the identity of the therapeutic agent and its potential orphan use are disclosed publicly by the FDA. Orphan designation does not convey any advantage in or shorten the duration of the regulatory review and approval process.

If a product that has orphan designation subsequently receives the first FDA approval for the disease or condition for which it has such designation, the product is entitled to orphan product exclusivity, which means that the FDA may not approve any other applications to market the same drug or biological product for the same indication for seven years, except in limited circumstances, such as a showing of clinical superiority to the product with orphan exclusivity or inability to manufacture the product in sufficient quantities. The designation of such drug also entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages and user-fee waivers. Competitors, however, may receive approval of different products for the indication for which the orphan product has exclusivity or obtain approval for the same product but for a different indication for which the orphan product has exclusivity. Orphan exclusivity also could block the approval of one of our products for seven years if a competitor obtains approval of the same drug as defined by the FDA or if our product candidate is determined to be contained within the competitor's product for the same indication or disease. If an orphan designated product receives marketing approval for an indication broader than what is designated, it may not be entitled to orphan exclusivity. In addition, exclusive marketing rights in the United States may be lost if the FDA later determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantities of the product to meet the needs of patients with the rare disease or condition.

Expedited Development and Review Programs

The FDA has a number of programs intended to expedite the development or review of products that meet certain criteria. For example, new drugs are eligible for Fast Track designation if they are intended to treat a serious or life-threatening disease or condition and demonstrate the potential to address unmet medical needs for the disease or condition. Fast track designation applies to the combination of the product and the specific indication for which it is being studied. The sponsor of a fast track product has opportunities for more frequent interactions with the review team during product development, and the FDA may consider for review sections of the NDA on a rolling basis before the complete application is submitted, if the sponsor provides a schedule for the submission of the sections of the NDA, the FDA agrees to accept sections of the NDA and determines that the schedule is acceptable, and the sponsor pays any required user fees upon submission of the first section of the NDA.

Any product submitted to the FDA for approval, including a product with a fast track designation, may also be eligible for other types of FDA programs intended to expedite development and review, such as priority review and accelerated approval. A product is eligible for priority review if it has the potential to provide safe and effective therapy where no satisfactory alternative therapy exists or a significant improvement in the treatment, diagnosis or prevention of a disease compared to marketed products. The FDA will attempt to direct additional resources to the evaluation of an application for a new drug designated for priority review in an effort to facilitate the review. The FDA endeavors to review applications with priority review designations within six months of the filing date as compared to ten months for review of new molecular entity NDAs under its current PDUFA review goals.

In addition, a product may be eligible for accelerated approval. Drug products intended to treat serious or life-threatening diseases or conditions may be eligible for accelerated approval upon a determination that the product has an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality, that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. As a condition of approval, the FDA may require that a sponsor of a drug receiving accelerated approval perform adequate and well-controlled post-marketing clinical trials. In addition, the FDA currently requires pre-approval of promotional materials as a condition for accelerated approval, which could adversely impact the timing of the commercial launch of the product.

The Food and Drug Administration Safety and Innovation Act established a category of drugs referred to as "breakthrough therapies" that may be eligible to receive breakthrough therapy designation. A sponsor may seek FDA designation of a product candidate as a "breakthrough therapy" if the product is intended, alone or in combination with one or more other products, to treat a serious or life-threatening disease or condition and preliminary clinical evidence indicates that the product may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. The designation includes all of the fast track program features, as well as more intensive FDA interaction and guidance. The breakthrough therapy designation is a distinct status from both accelerated approval and priority review, which

can also be granted to the same drug if relevant criteria are met. If a product is designated as breakthrough therapy, the FDA will work to expedite the development and review of such drug.

Fast track designation, breakthrough therapy designation, priority review, and accelerated approval do not change the standards for approval, but may expedite the development or approval process. Even if a product qualifies for one or more of these programs, the FDA may later decide that the product no longer meets the conditions for qualification or decide that the time period for FDA review or approval will not be shortened. We may explore some of these opportunities for our product candidates as appropriate.

Post-Approval Requirements

Any drug products for which we receive FDA approvals are subject to continuing regulation by the FDA, including, among other things, manufacturing, record-keeping requirements, reporting of adverse experiences with the product, providing the FDA with updated safety and efficacy information, product sampling and distribution requirements, and complying with FDA promotion and advertising requirements, which include, among others, standards for direct-to-consumer advertising, restrictions on promoting drugs for uses or in patient populations that are not described in the drug's approved labeling (known as "off-label use"), limitations on industry-sponsored scientific and educational activities, and requirements for promotional activities involving the internet. Although physicians may prescribe legally available drugs for off-label uses, manufacturers may not market or promote such off-label uses.

In addition, quality control and manufacturing procedures must continue to conform to applicable manufacturing requirements after approval to ensure the long-term stability of the drug product. We rely, and expect to continue to rely, on third parties for the production of clinical and commercial quantities of our products in accordance with cGMP regulations. cGMP regulations require among other things, quality control and quality assurance as well as the corresponding maintenance of records and documentation and the obligation to investigate and correct any deviations from cGMP requirements. Drug manufacturers and other entities involved in the manufacture and distribution of approved drugs are required to register their establishments with the FDA and certain state agencies, and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP and other laws. Accordingly, manufacturers must continue to expend time, money, and effort in the area of production and quality control to maintain cGMP compliance.

The FDA may withdraw approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical trials to assess new safety risks; or imposition of distribution restrictions or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of the product, complete withdrawal of the product from the market or product recalls;
- fines, warning letters, or untitled letters;
- clinical holds on clinical trials;
- refusal of the FDA to approve pending applications or supplements to approved applications, or suspension or revocation of product license approvals;
- product seizure or detention, or refusal to permit the import or export of products;
- consent decrees, corporate integrity agreements, debarment, or exclusion from federal healthcare programs;
- mandated modification of promotional materials and labeling and the issuance of corrective information;
- the issuance of safety alerts, Dear Healthcare Provider letters, press releases, and other communications containing warnings or other safety information about the product; or
- injunctions or the imposition of civil or criminal penalties.

The FDA also may require post-marketing testing, known as Phase 4 testing, and surveillance to monitor the effects of an approved product. Discovery of previously unknown problems with a product or the failure to comply with applicable FDA requirements can have negative consequences, including adverse publicity, judicial or administrative

enforcement, warning letters from the FDA, mandated corrective advertising or communications with doctors, and civil or criminal penalties, among others. Newly discovered or developed safety or effectiveness data may require changes to a product's approved labeling, including the addition of new warnings and contraindications, and also may require the implementation of other risk management measures.

The FDA closely regulates the marketing, labeling, advertising, and promotion of drug products. A company can make only those claims relating to safety and efficacy, purity, and potency that are approved by the FDA and in accordance with the provisions of the approved label. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses. Failure to comply with these requirements can result in, among other things, adverse publicity, warning letters, corrective advertising, and potential civil and criminal penalties. Physicians may prescribe, in their independent professional medical judgment, legally available products for uses that are not described in the product's labeling and that differ from those tested by us and approved by the FDA. Physicians may believe that such off-label uses are the best treatment for many patients in varied circumstances. The FDA does not regulate the behavior of physicians in their choice of treatments. The FDA does, however, restrict manufacturer's communications on the subject of off-label use of their products. The federal government has levied large civil and criminal fines against companies for alleged improper promotion of off-label use and has enjoined companies from engaging in off-label promotion. The FDA and other regulatory agencies have also required that companies enter into consent decrees or permanent injunctions under which specified promotional conduct is changed or curtailed. However, companies may share truthful and not misleading information that is otherwise consistent with a product's FDA-approved labelling.

In addition, the distribution of prescription pharmaceutical products is subject to the Prescription Drug Marketing Act (PDMA) which regulates the distribution of drugs and drug samples at the federal level, and sets minimum standards for the registration and regulation of drug distributors by the states. Both the PDMA and state laws limit the distribution of prescription pharmaceutical product samples and impose requirements to ensure accountability in distribution.

Marketing Exclusivity

Market exclusivity provisions under the FDCA can also delay the submission or the approval of certain marketing applications. The FDCA provides a five-year period of non-patent marketing exclusivity within the United States to the first applicant to obtain approval of an NDA for a new chemical entity. A drug is a new chemical entity if the FDA has not previously approved any other new drug containing the same active moiety, which is the molecule or ion responsible for the action of the drug substance. During the exclusivity period, the FDA may not approve or even accept for review an abbreviated new drug application (ANDA) or a 505(b)(2) NDA submitted by another company for another drug based on the same active moiety, regardless of whether the drug is intended for the same indication as the original innovative drug or for another indication, where the applicant does not own or have a legal right of reference to all the data required for approval. However, an application may be submitted after four years if it contains a certification of patent invalidity or non-infringement to one of the patents listed with the FDA by the innovator NDA holder.

The FDCA also provides three years of marketing exclusivity for an NDA, or supplement to an existing NDA if new clinical investigations, other than bioavailability studies, that were conducted or sponsored by the applicant are deemed by the FDA to be essential to the approval of the application, for example new indications, dosages or strengths of an existing drug. This three-year exclusivity covers only the modification for which the drug received approval on the basis of the new clinical investigations and does not prohibit the FDA from accepting ANDAs or 505(b)(2) NDAs for drugs referencing the approved application for review. Five-year and three-year exclusivity will not delay the submission or approval of a full NDA. However, an applicant submitting a full NDA would be required to conduct or obtain a right of reference to all of the preclinical studies and adequate and well-controlled clinical trials necessary to demonstrate safety and effectiveness.

Orphan drug exclusivity, as described above, may offer a seven-year period of marketing exclusivity, except in certain circumstances. Pediatric exclusivity is another type of non-patent market exclusivity in the United States. Pediatric exclusivity, if granted, adds six months to existing exclusivity periods and patent terms. This six-month exclusivity, which runs from the end of other exclusivity protection or patent term, may be granted based on the voluntary completion of a pediatric trial in accordance with an FDA-issued "Written Request" for such a trial.

Other U.S. Healthcare Laws and Compliance Requirements

Although we currently do not have any products on the market, we are and, upon approval and commercialization, will be subject to additional healthcare regulation and enforcement by the federal government and by authorities in the states and foreign jurisdictions in which we conduct our business. In the United States, such laws include, without limitation, state and federal anti-kickback, fraud and abuse, false claims, price reporting, and healthcare provider sunshine laws and regulations.

The federal Anti-Kickback Statute prohibits, among other things, any person or entity, from knowingly and willfully offering, paying, soliciting, or receiving any remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce or in return for purchasing, leasing, ordering, or arranging for the purchase, lease or order of any item or service reimbursable under Medicare, Medicaid or other federal healthcare programs. The term remuneration has been interpreted broadly to include anything of value. The Anti-Kickback Statute has been interpreted to apply to arrangements between pharmaceutical manufacturers on the one hand and prescribers, purchasers, and formulary managers on the other. There are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution. The exceptions and safe harbors are drawn narrowly and practices that involve remuneration that may be alleged to be intended to induce prescribing, purchasing, or recommending may be subject to scrutiny if they do not qualify for an exception or safe harbor. Failure to meet all of the requirements of a particular applicable statutory exception or regulatory safe harbor does not make the conduct per se illegal under the Anti-Kickback Statute. Instead, the legality of the arrangement will be evaluated on a case-by-case basis based on a cumulative review of all of its facts and circumstances. Our practices may not in all cases meet all of the criteria for protection under a statutory exception or regulatory safe harbor. Additionally, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation.

The federal False Claims Act prohibits, among other things, any person or entity from knowingly presenting, or causing to be presented, a false claim for payment to, or approval by, the federal government or knowingly making, using, or causing to be made or used a false record or statement material to a false or fraudulent claim to the federal government. As a result of a modification made by the Fraud Enforcement and Recovery Act of 2009, a claim includes “any request or demand” for money or property presented to the U.S. government. Several pharmaceutical and other healthcare companies have been prosecuted under these laws for allegedly providing free product to customers with the expectation that the customers would bill federal programs for the product. Other companies have been prosecuted for causing false claims to be submitted because of the companies’ marketing of the product for unapproved, and thus non-covered, uses. In addition, the Affordable Care Act codified case law that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal False Claims Act.

HIPAA also created new federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud or to obtain, by means of false or fraudulent pretenses, representations or promises, any money or property owned by, or under the control or custody of, any healthcare benefit program, including private third-party payors and knowingly and willfully falsifying, concealing or covering up by trick, scheme or device, a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items, or services. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation. Also, many states have similar fraud and abuse statutes or regulations that apply to items and services reimbursed under Medicaid and other state programs, or, in several states, apply regardless of the payor.

Additionally, the federal Physician Payments Sunshine Act and its implementing regulations, require that certain manufacturers of drugs, devices, biological and medical supplies for which payment is available under Medicare, Medicaid, or the Children’s Health Insurance Program (with certain exceptions) annually report information related to certain payments or other transfers of value made or distributed to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors) and teaching hospitals, certain ownership and investment interests held by physicians and their immediate family members. Beginning in 2022, such obligations will include payments and other transfers of value provided in the previous year to certain other healthcare professionals, including physician assistants, nurse practitioners, clinical nurse specialists, certified nurse anesthetists, anesthesiologist assistants, and certified nurse midwives.

In order to distribute products commercially, we must also comply with state laws that require the registration of manufacturers and wholesale distributors of pharmaceutical products in a state, including, in certain states, manufacturers, and distributors who ship products into the state even if such manufacturers or distributors have no place of business within the state. Some states also impose requirements on manufacturers and distributors to establish the pedigree of product in the chain of distribution, including some states that require manufacturers and others to adopt new technology capable of tracking and tracing product as it moves through the distribution chain. Several states have enacted legislation requiring pharmaceutical companies to establish marketing compliance programs, file periodic reports with the state, make periodic public disclosures on sales, marketing, pricing, track, and report gifts, compensation and other remuneration made to physicians and other healthcare providers, clinical trials and other activities, and/or register their sales representatives, as well as to prohibit pharmacies and other healthcare entities from providing certain physician prescribing data to pharmaceutical companies for use in sales and marketing, and to prohibit certain other sales and marketing practices. All of our activities are potentially subject to federal and state consumer protection and unfair competition laws.

If our operations are found to be in violation of any of the federal and state healthcare laws described above or any other governmental regulations that apply to us, we may be subject to penalties, including without limitation, civil, criminal and/or administrative penalties, damages, fines, disgorgement, exclusion from participation in government programs, such as Medicare and Medicaid, injunctions, private “qui tam” actions brought by individual whistleblowers in the name of the government, or refusal to allow us to enter into government contracts, contractual damages, reputational harm, administrative burdens, diminished profits and future earnings, and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations.

Pharmaceutical Coverage, Pricing and Reimbursement

Significant uncertainty exists as to the coverage and reimbursement status of any product candidates for which we or our collaborators obtain regulatory approval. In the United States and markets in other countries, sales of any products for which we or our collaborators receive regulatory approval for commercial sale will depend, in part, on the extent to which third-party payors provide coverage, and establish adequate reimbursement levels for such drug products.

In the United States, third-party payors include federal and state healthcare programs, government authorities, private managed care providers, private health insurers, and other organizations. Third-party payors are increasingly challenging the price, examining the medical necessity and reviewing the cost-effectiveness of medical drug products and medical services, in addition to questioning their safety and efficacy. Such payors may limit coverage to specific drug products on an approved list, also known as a formulary, which might not include all of the FDA-approved drugs for a particular indication. We or our collaborators may need to conduct expensive pharmaco-economic studies in order to demonstrate the medical necessity and cost-effectiveness of our products, in addition to the costs required to obtain the FDA approvals. Nonetheless, our product candidates may not be considered medically necessary or cost-effective. Moreover, the process for determining whether a third-party payor will provide coverage for a drug product may be separate from the process for setting the price of a drug product or for establishing the reimbursement rate that such a payor will pay for the drug product. A payor’s decision to provide coverage for a drug product does not imply that an adequate reimbursement rate will be approved. Further, one payor’s determination to provide coverage for a drug product does not assure that other payors will also provide coverage for the drug product. Adequate third-party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment in product development.

If we elect to participate in certain governmental programs, we may be required to participate in discount and rebate programs, which may result in prices for our future products that will likely be lower than the prices we might otherwise obtain. For example, drug manufacturers participating under the Medicaid Drug Rebate Program must pay rebates on prescription drugs to state Medicaid programs. Under the Veterans Health Care Act (VHCA) drug companies are required to offer certain drugs at a reduced price to a number of federal agencies, including the U.S. Department of Veterans Affairs and Department of Defense, the Public Health Service and certain private Public Health Service designated entities in order to participate in other federal funding programs, including Medicare and Medicaid. Recent legislative changes require that discounted prices be offered for certain U.S. Department of Defense purchases for its TRICARE program via a rebate system. Participation under the VHCA also requires

submission of pricing data and calculation of discounts and rebates pursuant to complex statutory formulas, as well as the entry into government procurement contracts governed by the Federal Acquisition Regulations. If our products are made available to authorized users of the Federal Supply Schedule of the General Services Administration, additional laws and requirements apply.

Different pricing and reimbursement schemes exist in other countries. In Europe, governments influence the price of pharmaceutical products through their pricing and reimbursement rules and control of national health care systems that fund a large part of the cost of those products to consumers. Some jurisdictions operate positive and negative list systems under which products may only be marketed once a reimbursement price has been agreed. To obtain reimbursement or pricing approval, some of these countries may require the completion of clinical trials that compare the cost-effectiveness of a particular drug candidate to currently available therapies. Other member states allow companies to fix their own prices for medicines, but monitor and control company profits. The downward pressure on health care costs in general, particularly prescription drugs, has become very intense. As a result, increasingly high barriers are being erected to the entry of new products. In addition, in some countries, cross-border imports from low-priced markets exert a commercial pressure on pricing within a country.

The marketability of any product candidates for which we or our collaborators receive regulatory approval for commercial sale may suffer if the government and third-party payors fail to provide adequate coverage and reimbursement. In addition, emphasis on managed care in the United States has increased and we expect will continue to increase the pressure on pharmaceutical pricing. Coverage policies and third-party reimbursement rates may change at any time. Even if favorable coverage and reimbursement status is attained for one or more products for which we or our collaborators receive regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

Healthcare Reform

A primary trend in the U.S. healthcare industry and elsewhere is cost containment. Government authorities and other third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular medical products and services, implementing reductions in Medicare and other healthcare funding and applying new payment methodologies. For example, in March 2010, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act (collectively, the Affordable Care Act) was enacted, which affected existing government healthcare programs and resulted in the development of new programs.

Among the Affordable Care Act's provisions of importance to the pharmaceutical industry, in addition to those otherwise described above, are the following:

- an annual, nondeductible fee on any entity that manufactures or imports certain specified branded prescription drugs and biologic agents apportioned among these entities according to their market share in some government healthcare programs;
- an increase in the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program to 23.1% and 13% of the average manufacturer price for most branded and generic drugs, respectively, and a cap on the total rebate amount for innovator drugs at 100% of the Average Manufacturer Price (AMP);
- a new Medicare Part D coverage gap discount program, in which manufacturers must agree to offer 70% point-of-sale discounts off negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period, as a condition for the manufacturers' outpatient drugs to be covered under Medicare Part D;
- extension of manufacturers' Medicaid rebate liability to covered drugs dispensed to individuals who are enrolled in Medicaid managed care organizations;
- expansion of eligibility criteria for Medicaid programs by, among other things, allowing states to offer Medicaid coverage to additional individuals, including individuals with income at or below 133% of the federal poverty level, thereby potentially increasing manufacturers' Medicaid rebate liability;
- expansion of the entities eligible for discounts under the Public Health Service pharmaceutical pricing program; and
- a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research.

Since its enactment, there have been judicial and Congressional challenges to certain aspects of the Affordable Care Act. For example, the Tax Cuts and Jobs Act of 2017 (the Tax Act) was enacted, which includes a provision repealing, effective January 1, 2019, the tax-based shared responsibility payment imposed by the Affordable Care Act on certain individuals who fail to maintain qualifying health coverage for all or part of a year that is commonly referred to as the "individual mandate." On December 14, 2018, a U.S. District Court Judge in the Northern District of Texas ruled that the individual mandate is a critical and inseverable feature of the Affordable Care Act, and therefore, because it was repealed as part of the Tax Act, the remaining provisions of the Affordable Care Act are invalid as well. Additionally, on December 18, 2019, the U.S. Court of Appeals for the 5th Circuit ruled that that the individual mandate was unconstitutional and remanded the case back to the District Court to determine whether the remaining provisions of the Affordable Care Act are invalid as well. The U.S. Supreme Court is currently reviewing this case, but it is unclear when or how the Supreme Court will rule. Although the U.S. Supreme Court has yet ruled on the constitutionality of the Affordable Care Act, on January 28, 2021, President Biden issued an executive order to initiate a special enrollment period from February 15, 2021 through May 15, 2021 for purposes of obtaining health insurance coverage through the Affordable Care Act marketplace. The executive order also instructs certain governmental agencies to review and reconsider their existing policies and rules that limit access to healthcare, including among others, reexamining Medicaid demonstration projects and waiver programs that include work requirements, and policies that create unnecessary barriers to obtaining access to health insurance coverage through Medicaid or the Affordable Care Act. It is also unclear how the Supreme Court ruling, other such litigation, and the healthcare reform measures of the Biden administration will impact the Affordable Care Act or our business.

Other legislative changes have also been proposed and adopted in the United States since the Affordable Care Act was enacted. On August 2, 2011, the Budget Control Act of 2011, among other things, included aggregate reductions to Medicare payments to providers of 2% per fiscal year, which went into effect on April 1, 2013 and due to subsequent legislative amendments to the statute will remain in effect through 2030, except for a temporary suspension from May 1, 2020 through March 31, 2021, unless additional congressional action is taken. In addition, in January 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

There has also been heightened governmental scrutiny recently over the manner in which pharmaceutical companies set prices for their marketed products, which has resulted in several Congressional inquiries and proposed federal legislation, as well as state efforts, designed to, among other things, bring more transparency to product pricing, reduce the cost of prescription drugs under Medicare, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drug products. At the federal level, the Trump administration used several means to propose or implement drug pricing reform, including through federal budget proposals, executive orders and policy initiatives. For example, on July 24, 2020 and September 13, 2020, the Trump administration announced several executive orders related to drug pricing in an effort to implement several of the administration's proposals. As a result, the FDA released a final rule on September 24, 2020, effective November 30, 2020, providing guidance for states to build and submit importation plans for drugs from Canada. Further, on November 20, 2020, HHS finalized a regulation removing safe harbor protection for price reductions from pharmaceutical manufacturers to plan sponsors under Part D, either directly or through pharmacy benefit managers, unless the price reduction is required by law. The implementation of the rule has been delayed by the Biden Administration from January 1, 2022 to January 1, 2023 in response to ongoing litigation. The rule also creates a new safe harbor for price reductions reflected at the point-of-sale, as well as a safe harbor for certain fixed fee arrangements between pharmacy benefit managers and manufacturers, the implementation of which have also been delayed pending review by the Biden Administration until March 22, 2021. On November 20, 2020, CMS issued an interim final rule implementing President Trump's Most Favored Nation executive order, which would tie Medicare Part B payments for certain physician-administered drugs to the lowest price paid in other economically advanced countries, effective January 1, 2021. On December 28, 2020, the United States District Court in Northern California issued a nationwide preliminary injunction against implementation of the interim final rule. It is unclear whether the Biden administration will work to reverse these measures or pursue similar policy initiatives. Some of these and other proposals may require additional authorization to become effective, and it is unclear whether the Biden administration will work to reverse these measures or pursue similar policy initiatives. Although

some of these and other proposals may require additional authorization to become effective, and the likelihood of success of any of these and other Trump administration reform initiatives is uncertain, particularly in light of the new Biden administration. At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

We anticipate that certain reform measures will result in additional downward pressure on coverage and the price that we receive for any approved product, and could seriously harm our business. Any reduction in reimbursement from Medicare and other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize our products. In addition, it is possible that there will be further legislation or regulation that could harm our business, financial condition, and results of operations. Further, it is also possible that additional governmental action is taken in response to the COVID-19 pandemic.

Data Privacy and Security

We may also be subject to federal, state and foreign data privacy and security laws and regulations. In the United States, numerous federal and state laws and regulations, including state data breach notification laws, state health information privacy laws, and federal and state consumer protection laws and regulations (e.g., Section 5 of the FTC Act), govern the collection, use, disclosure, and protection of health-related and other personal information could apply to our operations or the operations of our partners. HIPAA, as amended by HITECH, and its implementing regulations, impose requirements relating to the privacy, security and transmission of individually identifiable health information on certain health care providers, health plans and health care clearinghouses, known as covered entities and their business associates that perform certain services that involve creating, receiving, maintaining or transmitting individually identifiable health information for or on behalf of such covered entities as well as their covered subcontractors. Entities that are found to be in violation of HIPAA as the result of a breach of unsecured protected health information, a complaint about privacy practices or an audit by HHS, may be subject to significant civil, criminal and administrative fines and penalties and/or additional reporting and oversight obligations if required to enter into a resolution agreement and corrective action plan with HHS to settle allegations of HIPAA non-compliance. Further, entities that knowingly obtain, use, or disclose individually identifiable health information maintained by a HIPAA covered entity in a manner that is not authorized or permitted by HIPAA may be subject to criminal penalties.

Even when HIPAA does not apply, according to the FTC, violating consumers' privacy rights or failing to take appropriate steps to keep consumers' personal information secure may constitute unfair acts or practices in or affecting commerce in violation of Section 5 of the FTC Act. The FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. Individually identifiable health information is considered sensitive data that merits stronger safeguards.

In addition, state laws govern the privacy and security of health information in specified circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts. By way of example, California recently enacted the California Consumer Privacy Act (CPPA) which creates new individual privacy rights for California consumers (as defined in the law) and places increased privacy and security obligations on entities handling certain personal data of consumers or households. The CCPA requires covered companies to provide new disclosure to consumers about such companies' data collection, use and sharing practices, provide such consumers new ways to opt-out of certain sales or transfers of personal information, and provide consumers with additional causes of action. The CCPA became effective on January 1, 2020, and the California Attorney General may bring enforcement actions for violations beginning July 1, 2020. The CCPA has been amended from time to time, and it remains unclear what, if any, further modifications will be made to this legislation or how it will be interpreted. As currently written, the CCPA may impact our business activities and exemplifies the vulnerability of our business to the evolving regulatory environment related to personal data and protected health information.

We also are or will become subject to privacy laws in the jurisdictions in which we are established or in which we sell or market our products or run clinical trials. In particular, the GDPR will apply where we process personal data in relation to participants in our clinical trials in the European Economic Area (EEA) including the health and medical information of these participants. As noted above, the GDPR, which is directly applicable in EEA Member State applies to any processing operations carried out in the context of an establishment in the EEA, as well as certain other processing relating to the offering of goods or services to individuals in the EEA and/or the monitoring of their behavior in the EEA. Also, notwithstanding the UK's withdrawal from the EU, by operation of the UK GDPR, the GDPR continues to apply in substantially equivalent form in the context of the UK, UK establishments and UK-focused processing operations—so, when we refer to the GDPR in this section, we are also making reference to the UK GDPR in the context of the UK, unless the context requires otherwise.

The introduction of the GDPR creates significant and complex compliance burdens for companies such as (i) limiting permitted processing of personal data to only that which is necessary for specified, explicit and legitimate purposes; (ii) requiring the establishment a legal basis for processing personal data; (iii) expressly confirming that 'pseudonymized' or key-coded data constitutes personal data to which the GDPR applies; (iv) creating obligations for controllers and processors to appoint data protection officers in certain circumstances; (v) increasing transparency obligations to data subjects for controllers (including presentation of certain information in a concise, intelligible and easily accessible form about how their personal data is used and their rights vis-à-vis that data and its use); (vi) introducing the obligation to carry out so-called data protection impact assessments in certain circumstances; (vii) establishing limitations on collection and retention of personal data through 'data minimization' and 'storage limitation' principles; (viii) establishing obligations to implement 'privacy by design'; (ix) introducing obligations to honor increased rights for data subjects (such as rights for individuals to be 'forgotten,' rights to data portability, rights to object etc. in certain circumstances); (x) formalizing a heightened and codified standard of data subject consent; (xi) establishing obligations to implement certain technical and organizational safeguards to protect the security and confidentiality of personal data; (xii) introducing obligations to agree to certain specific contractual terms and to take certain measures when engaging third-party processors and joint controllers; (xiii) introducing the obligation to provide notice of certain significant personal data breaches to the relevant supervisory authority(ies) and affected individuals; and (xiv) mandating the appointment of representatives in the UK and/or EU in certain circumstances. The processing of "special category personal data", may also impose heightened compliance burdens under the GDPR and is a topic of active interest among relevant regulators.

The GDPR provides that EEA Member States may make their own further laws and regulations to introduce specific requirements related to the processing of "special categories of personal data", including personal data related to health, biometric data used for unique identification purposes and genetic information; as well as personal data related to criminal offences or convictions—in the UK, the Data Protection Act 2018 complements the UK GDPR in this regard. This fact may lead to greater divergence on the law that applies to the processing of such data types across the EEA and/or UK, compliance with which, as and where applicable, may increase our costs and could increase our overall compliance risk. Such country-specific regulations could also limit our ability to collect, use and share data in the context of our EEA and/or UK operations, and/or could cause our compliance costs to increase, ultimately having an adverse impact on our business and harming our business and financial condition.

A particular issue presented by certain European data protection laws, including the GDPR, is that they generally restrict transfers of personal data from Europe, including the EEA, the UK and Switzerland, to the United States, and most other countries unless the parties to the transfer have implemented specific safeguards to protect the transferred personal data. One of the primary safeguards allowing U.S. companies to import personal data from Europe had been certification to the EU-U.S. Privacy Shield and Swiss-U.S. Privacy Shield frameworks administered by the U.S. Department of Commerce. However, the EU-U.S. Privacy Shield was invalidated in July 2020 by the Court of Justice of the European Union (the CJEU) in a case known colloquially as "Schrems II." Following this decision, the United Kingdom government has similarly invalidated use of the EU-U.S. Privacy Shield as a mechanism for lawful personal data transfers from the United Kingdom to the United States under the UK GDPR. Also, the Swiss Federal Data Protection and Information Commissioner (the FDPIC) announced that the Swiss-U.S. Privacy Shield does not provide adequate safeguards for the purposes of personal data transfers from Switzerland to the United States. While the FDPIC does not have authority to invalidate the Swiss-U.S. Privacy Shield regime, the FDPIC's announcement casts doubt on the viability of the Swiss-U.S. Privacy Shield as a future

compliance mechanism for Swiss-U.S. data transfers. The United Kingdom government has similarly invalidated use of the EU-U.S. Privacy Shield as a mechanism for lawful personal data transfers from the United Kingdom to the United States under the UK GDPR. The CJEU's decision in Schrems II also raised questions about whether one of the primary alternatives to the EU-U.S. Privacy Shield, namely, the European Commission's Standard Contractual Clauses, can lawfully be used for personal data transfers from Europe to the United States or other third countries that are not the subject of an adequacy decision of the European Commission. While the CJEU upheld the adequacy of the Standard Contractual Clauses in principle in Schrems II, it made clear that reliance on those Clauses may not necessarily be sufficient in all circumstances. Use of the Standard Contractual Clauses must now be assessed on a case-by-case basis taking into account the legal regime applicable in the destination country, in particular regarding applicable surveillance laws and relevant rights of individuals, with respect to the transferred data. In the context of any given transfer, where the legal regime applicable in the destination country may or does conflict with the intended operation of the Standard Contractual Clauses and/or applicable European law, the decision in Schrems II and subsequent draft guidance from the European Data Protection Board (EDPB) would require the parties to that transfer to implement certain supplementary technical, organizational and/or contractual measures to rely on the Standard Contractual Clauses as a compliant 'transfer mechanism.' However, the aforementioned draft guidance from the EDPB on such supplementary technical, organizational and/or contractual measures appears to conclude that no combination of such measures could be sufficient to allow effective reliance on the Standard Contractual Clauses in the context of transfers of personal data 'in the clear' to recipients in countries where the power granted to public authorities to access the transferred data goes beyond that which is 'necessary and proportionate in a democratic society'—which may, following the CJEU's conclusions in Schrems II on relevant powers of United States public authorities and commentary in that draft EDPB guidance, include the United States in certain circumstances (e.g., where Section 702 of the US Foreign Intelligence Surveillance Act applies). At present, there are few, if any, viable alternatives to the EU-U.S. Privacy Shield and the Standard Contractual Clauses. If we are unable to implement a valid solution for personal data transfers from Europe, including, for example, obtaining individuals' explicit consent to transfer their personal data from Europe to the United States or other countries, we will face increased exposure to regulatory actions, substantial fines and injunctions against processing personal data from Europe. Inability to import personal data from Europe, including the EEA, United Kingdom or Switzerland, may also (i) restrict our activities in Europe; (ii) limit our ability to collaborate with partners as well as other service providers, contractors and other companies subject to European data protection laws; and (iii) require us to increase our data processing capabilities in Europe at significant expense or otherwise cause us to change the geographical location or segregation of our relevant systems and operations—any or all of which could adversely affect our financial results. Additionally, other countries outside of Europe have enacted or are considering enacting similar cross-border data transfer restrictions and laws requiring local data residency, which could increase the cost and complexity of delivering our services and operating our business. The type of challenges we face in Europe will likely also arise in other jurisdictions that adopt laws similar in construction to the GDPR or regulatory frameworks of equivalent complexity.

Further, the United Kingdom's decision to leave the EU, often referred to as Brexit, created uncertainty with regard to data protection regulation in the United Kingdom. Following December 31, 2020, the GDPR's data protection obligations continue to apply to the United Kingdom in substantially unvaried form under the UK GDPR or more explicitly, the GDPR continues to form part of the laws in the United Kingdom by virtue of section 3 of the European Union (Withdrawal) Act 2018, as amended (including by the various Data Protection, Privacy and Electronic Communications (EU Exit) Regulations), which potentially exposes us to two parallel data protection regimes. In addition, it is still unclear whether the transfer of personal data from the EU to the United Kingdom will in the future continue to remain lawful under the GDPR. For example, pursuant to a post-Brexit agreement between the United Kingdom and the EU, the European Commission will continue to treat the United Kingdom as if it remained a member state of the EU in relation to transfers of personal data from the EEA to the United Kingdom, meaning such transfers may be made without a need for additional safeguards, for four months from January 1, 2021, with a potential additional two month extension. This "transition" period, however, will end if and when the European Commission adopts an adequacy decision in respect of the United Kingdom or the United Kingdom amends certain UK data protection laws, or relevant aspects thereof, without the EU's consent (unless those amendments are made simply to align those UK data protection laws with the EU's data protection regime). If the European Commission does not adopt an adequacy decision with regard to personal data transfers to the United Kingdom before the

expiration of the transition period, from that point onwards, the United Kingdom will be a 'third country' under the GDPR and such transfers will need to be made subject to GDPR-compliant safeguards (for example, the Standard Contractual Clauses).

The GDPR also provides for more robust regulatory enforcement and greater penalties for noncompliance than previously applicable and data protection laws, including fines of up to €20 million or 4% of an undertaking's total worldwide annual turnover for the preceding financial year, whichever is higher. In addition to administrative fines, a wide variety of other potential enforcement powers are available to competent supervisory authorities in respect of potential and suspected violations of the GDPR, including extensive audit and inspection rights, and powers to order temporary or permanent bans on all or some processing of personal data carried out by noncompliant actors. The GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies, and obtain compensation for damages resulting from violations of the GDPR. Additionally, as noted above, the UK has transposed the GDPR into the laws of the United Kingdom by way of the UK GDPR, which could expose us to two parallel regimes, each of which potentially authorizes similar fines, with the UK GDPR permitting fines of up to the higher of £17 million or 4% of global annual revenue of any noncompliant organizations for the preceding financial year as well as other potentially divergent enforcement actions for certain violations. Implementing mechanisms to endeavor to ensure compliance with the GDPR and relevant local legislation in EEA Member States and the UK may be onerous and may interrupt or delay our development activities, and adversely affect our business, financial condition, results of operations, and prospects. In addition to the foregoing, a breach of the GDPR or other applicable privacy and data protection laws and regulations could result in regulatory investigations, reputational damage, orders to cease / change our use of data, enforcement notices, or potential civil claims including class action-type litigation. While we have taken steps to comply with the GDPR where applicable, including by reviewing our security procedures, engaging data protection personnel and entering into data processing agreements with relevant contractors, our efforts to achieve and remain in compliance may not be fully successful.

The U.S. Foreign Corrupt Practices Act

The U.S. Foreign Corrupt Practices Act of 1977 (FCPA) prohibits any U.S. individual or business from paying, offering, or authorizing payment or offering of anything of value, directly or indirectly, to any foreign official, political party or candidate for the purpose of influencing any act or decision of the foreign entity in order to assist the individual or business in obtaining or retaining business. The FCPA also obligates companies whose securities are listed in the United States to comply with accounting provisions requiring the company to maintain books and records that accurately and fairly reflect all transactions of the corporation, including international subsidiaries, and to devise and maintain an adequate system of internal accounting controls for international operations.

Europe / Rest of World Government Regulation

In addition to regulations in the United States, we will be subject to a variety of regulations in other jurisdictions governing, among other things, clinical trials and any commercial sales and distribution of our products. Whether or not we or our potential collaborators obtain FDA approval for a product, we must obtain the requisite approvals from regulatory authorities in foreign countries prior to the commencement of clinical trials or marketing of the product in those countries. Certain countries outside of the United States have a similar process that requires the submission of a clinical trial application much like the IND prior to the commencement of human clinical trials. In the EU, for example, a CTA must be submitted to the national health authority and an independent ethics committee in each country in which we intend to conduct clinical trials, much like the FDA and IRB, respectively. Once the CTA is approved in accordance with a country's requirements, clinical trial development may proceed in that country. Under the new Regulation on Clinical Trials, which is expected to take effect in 2021, there will be a centralized application procedure in respect of clinical trials to be conducted in the EU where one national authority takes the lead in reviewing the application and the other national authorities have more limited involvement. Any substantial changes to the trial protocol or other information submitted with the clinical trial applications must be notified to or approved by the relevant competent authorities and ethics committees.

The requirements and process governing the conduct of clinical trials, product licensing, pricing and reimbursement vary from country to country. In all cases, the clinical trials are conducted in accordance with GCP and the applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki.

To obtain regulatory approval of an investigational drug or biological product in the EU, we must submit a marketing authorization application either under the so-called centralized or national authorization procedures.

Centralized procedure. The centralized procedure provides for the grant of a single marketing authorization, which is issued by the European Commission based on the opinion of the Committee for Medicinal Products for Human Use (the CHMP) of the EMA and that is valid in all EU member states, as well as Iceland, Liechtenstein and Norway. The Centralized Procedure is mandatory for certain types of products, such as biotechnology medicinal products, orphan medicinal products, and medicines that contain a new active substance indicated for the treatment of AIDS, cancer, neurodegenerative disorders, diabetes, auto-immune and viral diseases. The Centralized Procedure is optional for products containing a new active substance not yet authorized in the EEA, or for products that constitute a significant therapeutic, scientific or technical innovation or which are in the interest of public health in the EU. Under the Centralized Procedure the maximum timeframe for the evaluation of an MAA is 210 days (excluding clock stops, when additional written or oral information is to be provided by the applicant in response to questions asked by the CHMP). Accelerated evaluation might be granted by the CHMP in exceptional cases, when the authorization of a medicinal product is of major interest from the point of view of public health and in particular from the viewpoint of therapeutic innovation. Under the accelerated procedure the standard 210-day review period is reduced to 150 days.

- *National authorization procedures*. There are also two other possible routes to authorize medicinal products in several EU countries, which are available for investigational medicinal products that fall outside the scope of the centralized procedure:
- *Decentralized procedure*. Using the decentralized procedure, an applicant may apply for simultaneous authorizations in more than one EU country of medicinal products that have not yet been authorized in any EU Member State and that do not fall within the mandatory scope of the centralized procedure.
- *Mutual recognition procedure*. In the mutual recognition procedure, a medicine is first authorized in one EU Member State, in accordance with the national procedures of that country. Following this, further marketing authorizations can be sought from other EU countries in a procedure whereby the countries concerned agree to recognize the validity of the original, national marketing authorization.

In the EEA, upon receiving marketing authorization, new chemical entities generally receive eight years of data exclusivity and an additional two years of market exclusivity. If granted, data exclusivity prevents regulatory authorities in the EU from referencing the innovator's data to assess a generic application. During the additional two-year period of market exclusivity, a generic marketing authorization can be submitted, and the innovator's data may be referenced, but no generic product can be marketed until the expiration of the market exclusivity. However, there is no guarantee that a product will be considered by the EU's regulatory authorities to be a new chemical entity and qualify for data exclusivity.

The EMA grants orphan drug designation to promote the development of products that may offer therapeutic benefits for life-threatening or chronically debilitating conditions affecting not more than five in 10,000 people in the EU. In addition, orphan drug designation can be granted if the drug is intended for a life threatening, seriously debilitating or serious and chronic condition in the EU and without incentives it is unlikely that sales of the drug in the EU would be sufficient to justify developing the drug. Orphan drug designation is only available if there is no other satisfactory method approved in the EU of diagnosing, preventing or treating the condition, or if such a method exists, the proposed orphan drug will be of significant benefit to patients. Orphan drug designation provides opportunities for free protocol assistance, fee reductions for access to the centralized regulatory procedures and ten years of market exclusivity following drug approval, which can be extended to 12 years if trials are conducted in accordance with an agreed-upon pediatric investigational plan. The exclusivity period may be reduced to six years if the designation criteria are no longer met, including where it is shown that the product is sufficiently profitable not to justify maintenance of market exclusivity.

Great Britain (GB) is no longer covered by the EEA's procedures outlined above (Northern Ireland will be covered by the centralized authorization procedure and can be covered under the decentralized or mutual recognition procedures). A separate GB marketing authorization will be required to market drugs in GB. However, for two years from January 1, 2021, the MHRA may adopt decisions taken by the European Commission on the approval of new

marketing authorizations through the centralized procedure, and the MHRA will have regard to marketing authorizations approved in a country in the EEA (although in both cases a marketing authorization will only be granted if any GB-specific requirements are met). Various national procedures are now available to place a drug on the market in the UK, GB, or Northern Ireland, with the main national procedure having a maximum timeframe of 150 days (excluding time taken to provide any further information or data required). The data exclusivity periods in the UK are currently in line with those in the EU, but the Trade and Cooperation Agreement provides that the periods for both data and market exclusivity are to be determined by domestic law, so there could be divergence in the future.

Orphan designation in GB following Brexit is essentially identical to the position in the EU but is based on the prevalence of the condition in GB. It is therefore possible that conditions that are currently designated as orphan conditions in GB will no longer be and that conditions that are not currently designated as orphan conditions in the EU will be designated as such in GB.

For other countries outside of the EU, such as countries in Eastern Europe, Latin America or Asia, the requirements governing the conduct of clinical trials, product licensing, pricing and reimbursement vary from country to country. In all cases, again, the clinical trials are conducted in accordance with GCP and the applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki.

If we or our potential collaborators fail to comply with applicable foreign regulatory requirements, we may be subject to, among other things, fines, suspension or withdrawal of regulatory approvals, product recalls, seizure of products, operating restrictions and criminal prosecution.

Employees

As of December 31, 2020, we employed 23 employees, 12 of whom are full-time, consisting of clinical, research, operations, regulatory, and finance personnel. Three of our employees hold Ph.D. or M.D. degrees. None of our employees is subject to a collective bargaining agreement. We consider our relationship with our employees to be good.

Facilities

We have entered into a lease agreement for approximately 3,748 square feet of space for our headquarters in San Diego, California, which will expire in late 2023. We also have entered into a lease agreement for approximately 1,455 square feet of space in Sandwich, United Kingdom, which will expire in late 2021. We believe that our existing facilities are adequate to meet our current needs, and that suitable additional alternative spaces will be available in the future on commercially reasonable terms.

Legal Proceedings

We are currently not a party to any material legal proceedings. We may, however, in the ordinary course of business face various claims brought by third parties, and we may, from time to time, make claims or take legal actions to assert our rights, including intellectual property rights as well as claims relating to employment matters and the safety or efficacy of our products. Any of these claims could subject us to costly litigation, and, while we generally believe that we have adequate insurance to cover many different types of liabilities, our insurance carriers may deny coverage, may be inadequately capitalized to pay on valid claims, or our policy limits may be inadequate to fully satisfy any damage awards or settlements. If this were to happen, the payment of any such awards could have a material adverse effect on our operations, cash flows and financial position. Additionally, any such claims, whether or not successful, could damage our reputation and business.

MANAGEMENT

Executive Officers and Directors

The following table sets forth information regarding our executive officers and directors as of December 31, 2020.

NAME	AGE	POSITION
Executive Officers:		
Gregory J. Flesher	50	President, Chief Executive Officer and Director
Wendy Johnson	68	Chief Development Officer
Alejandro Dorenbaum, M.D.	60	Chief Medical Officer
Michael Cruse	48	Senior Vice President, Corporate Operations
Deborah J. Tower	58	Vice President, Finance and Administration
Michael Grey	68	Executive Chairman
Non-Employee Directors:		
Lon Cardon, Ph.D. (2) (3)	55	Director
Kenneth Harrison, Ph.D. (3)	40	Director
Johan Kördel, Ph.D. (1)	58	Director
Edward T. Mathers (1)	60	Director
Bali Muralidhar, M.D., Ph.D. (1) (2)	41	Director
Niall O'Donnell, Ph.D. (2)	48	Director
Stacey D. Seltzer (3)	44	Director

(1) Member of the compensation committee.
(2) Member of the nominating and corporate governance committee.
(3) Member of the audit committee.

Executive Officers

Gregory J. Flesher has served as our President and Chief Executive Officer and a member of our board of directors since November 2020. Prior to joining us, Mr. Flesher served as the Chief Executive Officer and a member of the board of directors of Novus Therapeutics, Inc., a public specialty pharmaceutical company, from May 2017 to November 2020. Mr. Flesher previously served as Chief Executive Officer and a member of the board of directors for Otic Pharma, Ltd., a private pharmaceutical company, from July 2015 to May 2017. Mr. Flesher also served as Senior Vice President of Corporate Development and Chief Business Officer, and other executive management roles at Avanir Pharmaceuticals, Inc., a pharmaceutical company, from 2006 to 2015. Mr. Flesher has served as a member of the board of directors for Adynxx, Inc., a pharmaceutical company, since 2019. Mr. Flesher received his B.S. in Biology from Purdue University and studied Biochemistry and Molecular Biology at Indiana University School of Medicine. We believe Mr. Flesher's extensive senior leadership experience at numerous biopharmaceutical companies qualify him to serve on our board of directors.

Wendy Johnson has served as our Chief Development Officer since January 2021 and previously served as our Chief Operating Officer from January 2017 to January 2021. Prior to joining us, Ms. Johnson served as the interim Chief Operating Officer of AmpliPhi Biosciences Corporation (AmpliPhi) (now Armata Pharmaceuticals, Inc.), a public biotechnology company, from September 2014 to January 2017. Ms. Johnson previously served as the President and Chief Executive Officer of Aires Pharmaceuticals, Inc., a private pharmaceutical company, from November 2006 to March 2014 and as a Venture Partner at ProQuest Investments, a private venture capital firm, from 2005 to 2014. Ms. Johnson also served as Senior Vice President of Corporate Development at Salmedix Inc., a private oncology drug development company, until its acquisition by Cephalon, Inc., and held executive roles at Women First HealthCare, Inc., Selective Genetics, Inc. and Cytel Inc. Earlier in her career, Ms. Johnson was assistant director of the Center for Devices and Radiological Health at the U.S. Food and Drug Administration. Ms. Johnson has served as a member of the board of directors of MorphoSys AG, a public biotechnology company, since May 2015 and has been a member of the board of directors of Exagen, Inc., a public life sciences company, since October 2020. Previously, Ms. Johnson served as a member of the board of directors of AmpliPhi from May 2014 to May 2019. Ms. Johnson received an M.B.A. from Loyola University, an M.S. in clinical microbiology from the Hahnemann Medical School and a B.S. in microbiology from the University of Maryland.

Alejandro Dorenbaum, M.D. has served as our Chief Medical Officer since January 2018. Prior to joining us, Dr. Dorenbaum served as the Chief Medical Officer of Allakos Inc., a public clinical-stage biopharmaceutical company, from August 2014 to June 2017, and the Chief Medical Officer at Lumena Pharmaceuticals, Inc., a private biopharmaceutical company, from 2013 to 2014, until its acquisition by Shire Pharmaceuticals Ltd. Dr. Dorenbaum also worked at Genentech, Inc., a private biotechnology company, where he was responsible for the respiratory programs for asthma and cystic fibrosis, and at BioMarin Pharmaceutical Inc., a biopharmaceutical company, where he worked on the clinical development of Kuvan. Dr. Dorenbaum began his career at Chiron Corporation, a private biotechnology company. Dr. Dorenbaum maintains an active academic position as Clinical Professor in Pediatrics at Stanford University School of Medicine, where he specializes in allergy and immunology. Dr. Dorenbaum received an M.D. from the National Autonomous University in Mexico City, completed his residency in pediatrics at University of Texas Health Science Center and held a fellowship in allergy and immunology at Baylor College of Medicine.

Michael Cruse has served as our Senior Vice President, Corporate Operations since December 2020. Prior to joining us, Mr. Cruse served as Vice President Corporate Operations at Novus Therapeutics, Inc., a public specialty pharmaceutical company, from May 2017 to June 2020, and as Vice President Corporate Operations at Otic Pharma, Ltd., a private pharmaceutical company, from September 2015 to May 2017. Mr. Cruse previously held various positions at Avanir Pharmaceuticals, a private pharmaceutical company, including Executive Director, Sales Operations, Executive Director Technology and Facilities Management, Senior Director, Information Technology and Director, Information Technology. Mr. Cruse previously served as Manager of Information Technology and Senior Client Consultant at Noesis Consulting Group, Inc., a consulting services company, Manager, Information Technology at Spy Optic, Inc., a retail company, Senior Information Technology Consultant and Founding Partner at Senatron, LLP, an information technology consulting firm, and Promotional Product Manager at Vision Technologies, LLC, an information technology consulting firm. Mr. Cruse received a B.S. in Business Administration and Management from Franklin University.

Deborah J. Tower has served as our Vice President, Finance and Administration since January 2019. Ms. Tower previously served as our Senior Director, Finance and Administration from January 2018 to January 2019. Prior to joining us, Ms. Tower served as Director, Controller & Administrative Operations at AmpliPhi Biosciences Corporation (now Armata Pharmaceuticals, Inc.), a public biotechnology company, from March 2016 to September 2017. Ms. Tower previously served as Interim Controller at TRACON Pharmaceuticals, Inc., a public biopharmaceutical company, from March 2015 to September 2015, Consulting Controller at International Treescapes, LLC, an artificial plant manufacturing company, from April 2014 to March 2015 and Controller/Practice Manager at the Law Office of John W. Tower from July 1998 to December 2013. Ms. Tower also served as Vice President, Finance and Administration at Aurora Biosciences Corporation, a public biotechnology company, Director, Finance and Accounting at Sequana Therapeutics, Inc. a public biotechnology company, and Controller at Vical, Inc., a public biopharmaceutical company. Earlier in her career, Ms. Tower served as Senior Accountant at Deloitte Inc., a public accounting firm. Ms. Tower received a B.S. in accounting from San Diego State University.

Michael Grey has served as Executive Chairman of our board of directors since December 2017. Mr. Grey previously served as our Chairman and Chief Executive Officer from September 2014 to December 2017. In addition, Mr. Grey has served as Chairman of Mirum Pharmaceuticals, Inc. (Mirum) a public biopharmaceutical company, since January 2020, and has been a director of Mirum since May 2018. Mr. Grey previously served as Executive Chairman of Mirum from March 2019 to December 2019 and Chief Executive Officer of Mirum from May 2018 to March 2019. Mr. Grey has served as Executive Chairman of Amplyx Pharmaceuticals, Inc. or Amplyx, a private pharmaceutical company, since January 2017, and Spruce Biosciences, Inc., a public biotechnology company, since April 2017. Mr. Grey has also served as a venture partner at Pappas Ventures, a venture capital firm, since January 2010, and as a director of Curzion Pharmaceuticals, Inc. (Curzion) a private pharmaceutical company, which was acquired in April 2020 by Horizon Therapeutics Public Limited Company (Horizon) a pharmaceutical company, from January 2019 to April 2020. Mr. Grey served as President and Chief Executive Officer of Curzion from January 2019 to September 2019 and as President and Chief Executive Officer of Amplyx from October 2015 to January 2017. From February 2011 to June 2014, Mr. Grey served as President and Chief Executive Officer of Lumena Pharmaceuticals, Inc., a private biopharmaceutical company, which was acquired by Shire plc, in June 2014. Mr. Grey has more than 45 years of experience in the pharmaceutical and biotechnology industries and has held senior positions at a number

of companies, including President and Chief Executive Officer of SGX Pharmaceuticals, Inc. (sold to Lilly in 2008), President and Chief Executive Officer of Trega Biosciences, Inc. (sold to LION Bioscience, Inc. in 2001) and President of BioChem Therapeutic Inc. Prior to these, Mr. Grey served in various roles with Glaxo, Inc., and Glaxo Holdings PLC, culminating in his position as Vice President, Corporate Development and director of international licensing. Mr. Grey also serves on the boards of directors of BioMarin Pharmaceutical Inc., Horizon, and Mirati Therapeutics Inc., each a public biotechnology company and Plexium, Inc., a private biotechnology company. Mr. Grey received a B.S. in chemistry from the University of Nottingham in the United Kingdom. We believe Mr. Grey's extensive experience managing and leading both early stage and established companies within the pharmaceutical and biotechnology industries qualify him to serve on our board of directors.

Non-Employee Directors

Lon Cardon, Ph.D. has served as a member of our board of directors since January 2019. Dr. Cardon has served as Chief Scientific Officer at BioMarin Pharmaceutical Inc. (BioMarin) a biopharmaceutical company, since September 2017. Prior to joining BioMarin, Dr. Cardon served as a Senior Vice President of Genetics, Alternative Drug Discovery and Target Sciences at GlaxoSmithKline plc (GSK) a global healthcare company, from 2008 to September 2017. Dr. Cardon previously served as a professor at the University of Oxford and as a professor of biostatistics and human biology at the University of Washington and the Fred Hutchinson Cancer Research Center. Dr. Cardon is a past council member of the NIH/National Human Genome Research Institute and a present advisor to the All of Us Precision Medicine Initiative. Dr. Cardon served as a member of the board of directors and institutional founder of the Altius Institute for Biomedical Sciences, Centre for Therapeutic Target Validation (now Open Targets) and the GSK/Avalon Center of Excellence. Dr. Cardon is an elected fellow of the UK's Academy of Medical Sciences and the American Association for the Advancement of Science. Dr. Cardon received a B.S. in Psychology/Biology from the University of Puget Sound, a Ph.D. from the University of Colorado, Boulder and did his postdoctoral training at Stanford University. We believe Dr. Cardon's expertise and experience in the biopharmaceutical industry qualify him to serve on our board of directors.

Kenneth Harrison has served as a member of our board of directors since December 2020. Dr. Harrison has been employed as a Partner at Novo Ventures (U.S.) Inc. (Novo), which provides consulting services to Novo Holdings A/S, an investment firm focused on life sciences and finances, since November 2015. Prior to joining Novo, Dr. Harrison served as Senior Market Planning Manager at Genentech, USA Inc., a private biotechnology company, from 2013 to 2015, where he helped guide strategic decision making for the Ophthalmology and HER2 franchises. Dr. Harrison previously worked as a management consultant at L.E.K. Consulting LLC, a consulting firm, and as the Entrepreneurship Program Manager at QB3, a nonprofit research and technology commercialization institute, and Mission Bay Capital LLC, an early stage life science venture capital firm, where he helped create new programs to launch and support life sciences companies in the Bay Area. Dr. Harrison studied cellular lipid storage and metabolism as an A.P. Giannini Foundation Fellow at the J. David Gladstone Institutes, received a Ph.D. in pharmacology from Yale University, and received a B.S. in molecular biology from Texas Tech University, where he was a Howard Hughes Medical Institute undergraduate research fellow. We believe Dr. Harrison's investment experience in the life science industry qualifies him to serve on our board of directors.

Johan Kördel, Ph.D. has served as a member of our board of directors January 2018. From April 2010 to December 2019, Dr. Kördel has served as a Senior Partner at Lundbeckfond Ventures, an evergreen life science venture fund. Since January 1, 2020, Dr. Kördel has served as a Senior Advisor to Lundbeckfond Ventures. Since October 2019, Dr. Kördel has served as a Senior Advisor to Industrifonden, a venture capital firm. From May 2008 to February 2010, Dr. Kördel served as Chief Executive Officer of Sound Biotech ApS, a biotechnology development company which Dr. Kördel co-founded. From October 2000 to August 2003, Dr. Kördel served as Senior Vice President of Research of Biovitrum AB (Biovitrum) a pharmaceutical company which Dr. Kördel co-founded, and from September 2003 to January 2006, Dr. Kördel served as Senior Vice President of Business Development for Biovitrum. Previously, Dr. Kördel held a number of positions in research and development including that of Deputy Head of Metabolic Diseases and Endocrinology Discovery Research at Pharmacia Corporation before its acquisition by Pfizer Inc. in April 2003. Dr. Kördel has been an Associate Professor of Physical Chemistry at Lund University, Sweden since 1994. Earlier in his career, Dr. Kördel worked at Scripps Research Institute in La Jolla, California, and Harvard Medical School in Boston, Massachusetts. Dr. Kördel presently serves on the board of directors of the private companies, Amplyx Pharmaceuticals, Inc., Athera Biotechnologies AB, Enterome S. A., SARomics Biostructures AB

and VHsquared Ltd. Dr. Kördel previously served as a member of the board of directors of the public companies, Acacia Pharma Ltd. from March 2011 to April 2020, BoneSupport AB from August 2011 to December 2016, Celladon Corporation from January 2012 to March 2014, EQL Pharma AB from April 2007 to June 2015 and Karo Bio AB from April 2009 to May 2011. Dr. Kördel received a Ph.D. in physical chemistry and an M.Sc. from Lund University, Sweden. We believe Dr. Kördel's expertise and experience in the biotechnology industry qualifies him to serve on our board of directors.

Edward Mathers has served as a member of our board of directors since December 2017. Mr. Mathers has served as a General Partner at New Enterprise Associates, Inc. (NEA), a private venture capital firm focusing on technology and healthcare investments, since November 2019. Mr. Mathers served as partner at NEA from August 2008 to October 2019. Prior to joining NEA, Mr. Mathers served as Executive Vice President, Corporate Development and Venture at MedImmune, Inc., a biopharmaceutical company, and led its venture capital subsidiary, MedImmune Ventures, Inc. Mr. Mathers currently serves on the board of directors of Akouos, Inc., Inozyme Pharma, Inc., Mirum Pharmaceuticals, Inc., ObsEva SA, Rhythm Pharmaceuticals, Inc., Synlogic, Inc. (formerly known as Mirna Therapeutics, Inc.) and Trevi Therapeutics, Inc., all public pharmaceutical companies, and he previously served on the board of directors of Liquidia Technologies, Inc., a public life sciences company, from April 2009 to May 2019 and Ra Pharma, a public pharmaceutical company, from February 2010 to April 2020. Mr. Mathers received a B.S. in chemistry from North Carolina State University. We believe Mr. Mathers' experience as a venture capitalist, as an executive and in business development and his experience in serving on the board of directors for several public and private pharmaceutical and life sciences companies qualify him to serve on our board of directors.

Bali Muralidhar, M.D., Ph.D. has served as a member of our board of directors since December 2020. Dr. Muralidhar has served as Managing Partner at Abingworth LLP (Abingworth) an international investment group dedicated to life sciences, since December 2020. Dr. Muralidhar previously served as a Partner at Abingworth from March 2019 to December 2020. Prior to joining Abingworth, Dr. Muralidhar was a Senior Partner at MVM Partners LLP (MVM) a life science investment fund, from November 2012 to March 2019. Prior to MVM, Dr. Muralidhar was a member of Bain Capital LP's, a private multi-asset alternative investment firm, leveraged buyout team, focusing on healthcare from April 2011 to November 2012. Dr. Muralidhar has served as a director of Nucana plc since October 2020, Spruce Biosciences, Inc. since February 2020 and Exicure, Inc. since August 2019, each a public biotechnology company. Dr. Muralidhar previously served on the board of directors of Wilson Therapeutics, a public biopharmaceutical company in Sweden, from March 2014 to April 2018, and Valneva SE, a French biotechnology company traded on the Vienna Stock Exchange from May 2017 to December 2019 . Dr. Muralidhar received a degree in clinical medicine from the University of Oxford and received a Ph.D. in translational cancer research from the MRC Cancer Cell Unit, University of Cambridge. We believe Dr. Muralidhar's investment experience in the healthcare industry qualifies him to serve on our board of directors.

Niall O'Donnell, Ph.D. has served as a member of our board of directors since December 2017. Dr. O'Donnell is our co-founder and previously served as our President and Chief and Executive Officer from December 2017 to November 2020. Dr. O'Donnell is currently a managing director at RiverVest Venture Partners (RiverVest) a venture capital firm, a position he has held since April 2014. Dr. O'Donnell joined RiverVest in 2006 where he has focused on biopharmaceutical, diagnostic and medical device opportunities and contributes to the formation, development, and business strategies of RiverVest affiliated portfolio companies. From 2011 to 2013, Dr. O'Donnell served as acting Chief Interim Medical Officer at Lumena Pharmaceuticals, Inc., a private biopharmaceutical company, where he led the development and execution of the company's clinical strategy leading up to its acquisition by Shire plc. From February 2019 to April 2020, Dr. O'Donnell co-founded and served as a member of the board of directors of Curzion Pharmaceuticals, Inc., a private pharmaceutical company. Dr. O'Donnell has been a member of the board of directors of Spruce Biosciences, Inc., a public biotechnology company, since May 2016, and Mirum Pharmaceuticals, Inc., a public biopharmaceutical company, since December 2018, and is also a member of the board of directors of the private biopharmaceutical companies, Amplyx Pharmaceuticals, Inc. and Avalyn Pharma, Inc. Dr. O'Donnell received a Ph.D. in biochemistry from the University of Dundee, Scotland, an M.A. in biochemistry from Pembroke College, Oxford, and an M.B.A. from the Rady School of Management of the University of California, San Diego. We believe Dr. O'Donnell's substantial experience in developing and managing biopharmaceutical companies qualifies him to serve on our board of directors.

Stacey D. Seltzer has served as a member of our board of directors since December 2020. Since 2014, Ms. Seltzer has served as a partner at Aisling Capital LLC, a venture capital and private equity firm, where she previously served as principal from 2008 to 2014. From 2004 to 2008, Ms. Seltzer held various positions at Schering-Plough Corporation, a pharmaceutical company, including U.S. Schering-Plough Brand Lead for Zetia, Associate Director, U.S. Marketing, Senior Manager, Global Licensing and Management Associate. From 2001 to 2002, Ms. Seltzer served as Director of Business Development for Akceli, Inc., a biotechnology company. Ms. Seltzer has served on the board of directors of Prommentis Pharmaceuticals, Inc., a private biopharmaceutical company, since November 2016 and is currently a board observer for Prolacta Bioscience Inc., a private biopharmaceutical company. Ms. Seltzer previously served on the board of directors of Miramar Labs, Inc., a public global medical device company, from May 2013 to July 2017, Aimmune Therapeutics, Inc., a public biopharmaceutical company, from January 2015 to October 2020, and as a board observer for public companies, Agile Therapeutics, Inc., a women's healthcare company and Durata Therapeutics, Inc., a pharmaceutical company. Ms. Seltzer received a B.S. and M.S. in Molecular Biophysics and Biochemistry from Yale University and an M.B.A. from the Wharton School at the University of Pennsylvania. We believe that Ms. Seltzer is qualified to serve on our Board due to her investment and management experience in the life science industry.

Composition of Our Board of Directors

Our business and affairs are organized under the direction of our board of directors, which currently consists of nine members. The primary responsibilities of our board of directors are to provide oversight, strategic guidance, counseling and direction to our management. Our board of directors meets on a regular basis and additionally as required.

Certain members of our board of directors were elected under the provisions of our Voting Agreement, which is defined below. Under the terms of our Voting Agreement, the stockholders who are party to the Voting Agreement have agreed to vote their respective shares to elect: (i) one director designated by Novo Holdings A/S, currently Dr. Harrison, (ii) one director designated by Abingworth Ventures 8 LP, currently Dr. Muralidhar, (iii) one director designated by Aisling Capital V, L.P., currently Ms. Seltzer, (iv) one director designated by New Enterprise Associates 15, L.P., currently Mr. Mathers, (v) one director designated by RiverVest Venture Fund IV, L.P., currently Dr. O'Donnell, (vi) one director designated by Lundbeckfond Invest A/S, currently Dr. Kördel, (vii) one director designated by the holders of our common stock and who shall be our then-current Chief Executive Officer, currently Mr. Flesher, (viii) one director designated by the holders of a majority of our common stock, currently Mr. Grey, and (ix) one director designated by a majority of the other members of our board of directors and who shall be an outside industry expert, currently Dr. Cardon. The Voting Agreement will terminate upon the closing of this offering, and thereafter no stockholder will have any special rights regarding the election or designation of the members of our board of directors. Our current directors elected to our board of directors pursuant to the Voting Agreement will continue to serve as directors until their successors are duly elected and qualified by holders of our common stock.

Our board of directors may establish the authorized number of directors from time to time by resolution. In accordance with our amended and restated certificate of incorporation to be filed in connection with this offering, immediately after this offering, our board of directors will be divided into three classes with staggered three-year terms. At each annual meeting of stockholders, the successors to directors whose terms then expire will be elected to serve from the time of election and qualification until the third annual meeting following election. Our directors will be divided among the three classes as follows:

- the Class I directors will be , and , and their terms will expire at the annual meeting of stockholders to be held in 2022;
- the Class II directors will be , and , and their terms will expire at the annual meeting of stockholders to be held in 2023; and
- the Class III directors will be , and , and their terms will expire at the annual meeting of stockholders to be held in 2024.

We expect that any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one third of the directors. The division of our board of directors into three classes with staggered three-year terms may delay or prevent a change of our management or a change in control.

Board Leadership Structure

Our board of directors is currently chaired by Mr. Grey who has authority, among other things, to call and preside over board of directors meetings, to set meeting agendas and to determine materials to be distributed to the board of directors. Accordingly, the Executive Chairman has substantial ability to shape the work of the board of directors. We believe that separation of the positions of Executive Chairman and Chief Executive Officer reinforces the independence of the board of directors in its oversight of our business and affairs. In addition, we have a separate chair for each committee of our board of directors. The chair of each committee is expected to report annually to our board of directors on the activities of their committee in fulfilling their responsibilities as detailed in their respective charters or specify any shortcomings should that be the case.

Role of the Board in Risk Oversight

The audit committee of our board of directors is primarily responsible for overseeing our risk management processes on behalf of our board of directors. Going forward, we expect that the audit committee will receive reports from management at least quarterly regarding our assessment of risks. In addition, the audit committee reports regularly to our board of directors, which also considers our risk profile. The audit committee and our board of directors focus on the most significant risks we face and our general risk management strategies. While our board of directors oversees our risk management, management is responsible for day-to-day risk management processes. Our board of directors expects management to consider risk and risk management in each business decision, to proactively develop and monitor risk management strategies and processes for day-to-day activities and to effectively implement risk management strategies adopted by the audit committee and our board of directors. We believe this division of responsibilities is the most effective approach for addressing the risks we face and that our board of directors' leadership structure, which also emphasizes the independence of our board of directors in its oversight of its business and affairs, supports this approach.

Director Independence

Under the listing requirements and rules of Nasdaq, independent directors must comprise a majority of our board of directors as a listed company within one year of the listing date.

Our board of directors has undertaken a review of the independence of each director. Based on information provided by each director concerning her or his background, employment, and affiliations, our board of directors has determined that Dr. Cardon, Dr. Harrison, Dr. Kördel, Mr. Mathers, Dr. Muralidhar and Ms. Seltzer do not have relationships that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is "independent" as that term is defined under the listing standards. In making these determinations, our board of directors considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our shares by each non-employee director and the transactions described in "Certain Relationships and Related Person Transactions."

Family Relationships

There are no family relationships among any of our executive officers or directors.

Committees of Our Board of Directors

Our board of directors has established an audit committee, a compensation committee and a nominating and corporate governance committee. The composition and responsibilities of each of the committees of our board of directors are described below. Members serve on these committees until their resignation or until otherwise determined by our board of directors. Our board of directors may establish other committees as it deems necessary or appropriate from time to time. Each committee intends to adopt a written charter that satisfies the applicable rules and regulations of the SEC and Nasdaq Listing Rules, which we will post on our website at www.reneopharma.com on the date the registration statement of which this prospectus forms a part is declared

effective. Information contained in, or that can be accessed through, our website is not incorporated by reference into this prospectus.

Audit Committee

Our audit committee currently consists of Dr. Cardon, Dr. Harrison and Ms. Seltzer, each of whom our board of directors has determined satisfies the independence requirements under listing standards and Rule 10A-3(b)(1) of the Exchange Act. The chair of our audit committee is Dr. Harrison. Our board of directors has determined that is an "audit committee financial expert" within the meaning of SEC regulations and that each member of our audit committee can read and understand fundamental financial statements in accordance with applicable requirements. In arriving at these determinations, the board of directors has examined each audit committee member's scope of experience and the nature of their employment in the corporate finance sector.

The primary purpose of the audit committee is to discharge the responsibilities of our board of directors with respect to our corporate accounting and financial reporting processes, systems of internal control and financial-statement audits, and to oversee our independent registered accounting firm. Specific responsibilities of our audit committee include:

- helping our board of directors oversee our corporate accounting and financial reporting processes;
- managing the selection, engagement, qualifications, independence, and performance of a qualified firm to serve as the independent registered public accounting firm to audit our consolidated financial statements;
- discussing the scope and results of the audit with the independent registered public accounting firm, and reviewing, with management and the independent accountants, our interim and year-end operating results;
- developing procedures for employees to submit concerns anonymously about questionable accounting or audit matters;
- reviewing related person transactions;
- obtaining and reviewing a report by the independent registered public accounting firm at least annually, that describes our internal quality control procedures, any material issues with such procedures, and any steps taken to deal with such issues when required by applicable law; and
- approving, or, as permitted, pre-approving, audit and permissible non-audit services to be performed by the independent registered public accounting firm.

Compensation Committee

Our compensation committee currently consists of Dr. Kördel, Mr. Mathers and Dr. Muralidhar. The chair of our compensation committee is Mr. Mathers. Our board of directors has determined that each member of the compensation committee is independent under Nasdaq listing standards and a "non-employee director" as defined in Rule 16b-3 promulgated under the Exchange Act.

The primary purpose of our compensation committee is to discharge the responsibilities of our board of directors in overseeing our compensation policies, plans, and programs and to review and determine the compensation to be paid to our executive officers, directors, and other senior management, as appropriate. Specific responsibilities of our compensation committee include:

- reviewing and approving the compensation of our chief executive officer, other executive officers and senior management;
- reviewing and recommending to our board of directors the compensation paid to our directors;
- reviewing and approving the compensation arrangements with our executive officers and other senior management;
- administering our equity incentive plans and other benefit programs;
- reviewing, adopting, amending and terminating incentive compensation and equity plans, severance agreements, profit sharing plans, bonus plans, change-of-control protections and any other compensatory arrangements for our executive officers and other senior management;
- reviewing, evaluating and recommending to our board of directors succession plans for our executive officers; and

- reviewing and establishing general policies relating to compensation and benefits of our employees, including our overall compensation philosophy.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee consists of Dr. Cardon, Dr. Muralidhar and Dr. O'Donnell. The chair of our nominating and corporate governance committee is Dr. O'Donnell. Our board of directors has determined that each member of the nominating and corporate governance committee is independent under Nasdaq listing standards. Specific responsibilities of our nominating and corporate governance committee include:

- identifying and evaluating candidates, including the nomination of incumbent directors for reelection and nominees recommended by stockholders, to serve on our board of directors;
- considering and making recommendations to our board of directors regarding the composition and chairmanship of the committees of our board of directors;
- instituting plans or programs for the continuing education of our board of directors and orientation of new directors;
- developing and making recommendations to our board of directors regarding corporate governance guidelines and matters; and
- overseeing periodic evaluations of the board of directors' performance, including committees of the board of directors and management.

Code of Conduct

We have adopted a Code of Conduct that applies to all our employees, officers, and directors. This includes our principal executive officer, principal financial officer and principal accounting officer or controller, or persons performing similar functions. The full text of our Code of Conduct will be posted on our website at www.reneopharma.com. We intend to disclose on our website any future amendments of our Code of Conduct or waivers that exempt any principal executive officer, principal financial officer, principal accounting officer or controller, persons performing similar functions or our directors from provisions in the Code of Conduct. Information contained on, or that can be accessed through, our website is not incorporated by reference into this prospectus, and you should not consider information on our website to be part of this prospectus.

Compensation Committee Interlocks and Insider Participation

None of the members of the compensation committee is currently, or has been at any time, one of our officers or employees. None of our executive officers currently serves, or has served during the last calendar year, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of our board of directors or compensation committee.

Director Compensation

We have historically not paid cash, equity or other compensation to any of our directors who are also our employees for service on our board of directors, nor have we paid cash or equity compensation to our non-employee directors, except as set forth below. No such compensation was paid to any of our directors in the year ended December 31, 2020.

We have reimbursed and will continue to reimburse all of our non-employee directors for their reasonable out-of-pocket expenses incurred in attending board of directors and committee meetings. Michael Grey, our Executive Chairman, is a director and an executive officer, other than a named executive officer, who does not receive any additional compensation for his services provided as a director. Gregory J. Flesher, our President and Chief Executive Officer, Niall O'Donnell, Ph.D., our former President and Chief Executive Officer, are also directors but did not receive any additional compensation for their service as directors. See the section titled "Executive Compensation" for more information regarding the compensation earned by Mr. Flesher and Dr. O'Donnell.

We entered into a letter agreement with Lon Cardon, Ph.D., one of our non-employee directors, in January 2019 confirming his appointment as a member of our board of directors. Pursuant to his agreement, Dr. Cardon was

entitled to a stock option to purchase an aggregate of 130,000 shares of our common stock, which was granted in January 2019 under our 2014 Equity Incentive Plan (2014 Plan), the terms of which are described in more detail below under the section titled "Executive Compensation—Employee Benefit Plans—2014 Equity Incentive Plan." The option was granted with an exercise price of $0.51 per share and vests in a series of 48 successive equal monthly installments measured from January 30, 2019, subject to Dr. Cardon's continued service to us. The option provides for "early exercise" prior to vesting in exchange for shares of restricted shares that vest on the option's vesting schedule and the vesting of this option will accelerate in full immediately prior to a Change in Control (as defined in the 2014 Plan) that occurs during Dr. Cardon's continued service to us.

In January 2021, we granted Dr. Cardon an option to purchase 80,000 shares of our common stock under our 2014 Plan. The option was granted with an exercise price of $1.09 per share and vests in a series of 48 successive equal monthly installments measured from December 9, 2020, subject to Dr. Cardon's continued service to us. The option provides for "early exercise" prior to vesting in exchange for shares of restricted shares that vest on the option's vesting schedule.

As of December 31, 2020, the aggregate number of shares underlying outstanding options to purchase our common stock held by our directors was: Dr. Cardon, 130,000 shares; Dr. O'Donnell, 523,425 shares; and Mr. Grey, 670,370 shares. As of December 31, 2020, none of our directors held other unvested stock awards.

Non-Employee Director Compensation Policy

Our board of directors adopted a non-employee director compensation policy in , 2021 that will become effective upon the execution and delivery of the underwriting agreement related to this offering and will be applicable to all of our non-employee directors. This compensation policy provides that each such non-employee director will receive the following compensation for service on our board of directors:

- an annual cash retainer of $;
- an additional annual cash retainer of $, $ and $ for service as a member of the audit committee, compensation committee and the nominating and corporate governance committee, respectively;
- an additional annual cash retainer of $, $ and $ for service as chair of the audit committee, compensation committee and the nominating and corporate governance committee, respectively;
- an initial option grant to purchase shares of our common stock on the date of each such non-employee director's appointment to our board of directors; and
- an annual option grant to purchase shares of our common stock on the date of each of our annual stockholder meetings.

Each of the option grants described above will be granted under our 2021 Plan, the terms of which are described in more detail below under the section titled "Executive Compensation—Employee Benefit Plans—2021 Equity Incentive Plan." Each such option grant will vest and become exercisable subject to the director's continuous service to us through the earlier of the first anniversary of the date of grant or the next annual stockholder meeting. The term of each option will be ten years, subject to earlier termination as provided in the 2021 Plan.

EXECUTIVE COMPENSATION

Our named executive officers for the year ended December 31, 2020, consisting of our current and former principal executive officers and the next two most highly compensated executive officers who were serving in such capacity as of December 31, 2020, were:

- Gregory J. Flesher, our President and Chief Executive Officer;
- Niall O'Donnell, Ph.D., our former President and Chief Executive Officer;
- Alejandro Dorenbaum, M.D., our Chief Medical Officer; and
- Wendy Johnson, our Chief Development Officer.

Summary Compensation Table

The following table presents all of the compensation awarded to or earned by or paid to our named executive officers during the fiscal year ended December 31, 2020.

NAME AND PRINCIPAL POSITION	FISCAL YEAR	SALARY ($)	NON-EQUITY INCENTIVE PLAN COMPENSATION ($) (1)	ALL OTHER COMPENSATION ($)	TOTAL ($)
Gregory J. Flesher *President and Chief Executive Officer (2)*	2020	79,167	39,600	14,180 (3)	132,947
Niall O'Donnell, Ph.D. *Former President and Chief Executive Officer (4)*	2020	—	—	—	—
Alejandro Dorenbaum, M.D. *Chief Medical Officer*	2020	353,750	123,900	—	477,650
Wendy Johnson *Chief Development Officer*	2020	339,500	118,900	—	458,400

(1) The amounts disclosed represent performance bonuses earned in 2020 and paid in January 2021. Mr. Flesher's bonus was pro-rated to reflect his partial year of service.
(2) Mr. Flesher has served as our President and Chief Executive Officer since November 2020.
(3) Represents the cost of the apartment that Mr. Flesher maintains in San Diego, California ($9,612) plus a tax gross up on such benefits ($4,567).
(4) Dr. O'Donnell served as our President and Chief Executive Officer until November 2020.

Annual Base Salary

The 2020 annual base salaries for our named executive officers (other than Dr. O'Donnell, who did not receive a base salary for 2020) are set forth in the table below.

NAME	2020 BASE SALARY
Gregory J. Flesher	$ 475,000
Alejandro Dorenbaum, M.D. (1)	$ 425,000
Wendy Johnson (2)	$ 339,500

(1) Dr. Dorenbaum's base salary increased from $339,500 to $425,000, effective November 1, 2020.
(2) Ms. Johnson's base salary increased from $339,500 to $365,000, effective January 1, 2021.

Non-Equity Incentive Plan Compensation

We seek to motivate and reward our executives for achievements relative to our corporate goals as approved by our board of directors or the compensation committee thereof on an annual basis. Each of our named executive officers (other than Dr. O'Donnell) is eligible to receive an annual performance bonus based on the achievement of performance goals as determined by our board of directors or the compensation committee thereof. For 2020, these goals included financing, clinical, nonclinical, CMC and regulatory objectives. Each executive officer is assigned a

target bonus expressed as a percentage of his or her base salary. The target bonus amounts for Mr. Flesher, Dr. Dorenbaum and Ms. Johnson for 2020 were set at 50%, 35%, and 35%, respectively. In December 2020, our board of directors determined that the 2020 corporate goals were achieved at 100% and, as a result, approved annual performance bonuses for Mr. Flesher, Dr. Dorenbaum and Ms. Johnson in the amounts of $39,600 (determined based on his pro-rated base salary for 2020), $123,900, and $118,900, respectively, as reflected in the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table above.

Equity-Based Incentive Awards

We have granted stock options to each of our named executive officers prior to this offering pursuant to our 2014 Plan, the terms of which are described below under "—Employee Benefit and Stock Plans—2014 Equity Incentive Plan." We did not grant any stock options or other equity awards to our named executive officers during 2020.

In January 2021, we granted stock options to each of Mr. Flesher, Dr. Dorenbaum and Ms. Johnson to purchase 4,710,389, 450,000 and 340,000 shares of our common stock, respectively, each at an exercise price equal to $1.09 per share. The stock options granted to Mr. Flesher and Dr. Dorenbaum vest over a four year period (measured from November 2, 2020 in the case of Mr. Flesher and December 9, 2020 in the case of Dr. Dorenbaum) and the stock option granted to Ms. Johnson vests over a two year period (measured from December 9, 2020), each subject to the executive's continued service with us. Each of the option grants includes an early exercise feature.

Following the closing of this offering, we may grant additional equity awards to our executive officers pursuant to our 2021 Plan, the terms of which are described below under "—Employee Benefit and Stock Plans—2021 Equity Incentive Plan."

Outstanding Equity Awards as of December 31, 2020

The following table presents the outstanding equity incentive plan awards held by each named executive officer as of December 31, 2020.

		OPTION AWARDS (1)			
NAME	GRANT DATE	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#) EXERCISABLE	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#) UNEXERCISABLE	OPTION EXERCISE PRICE PER SHARE ($) (2)	OPTION EXPIRATION DATE
Gregory J. Flesher	—	—	—	—	—
Niall O'Donnell, Ph.D.(3)	04/05/2018	378,425	—	$ 0.44	04/04/2028
	06/26/2019 (4)	145,000	—	$ 0.84	06/25/2029
Alejandro Dorenbaum, M.D.	04/05/2018 (5)	405,370	—	$ 0.44	04/04/2028
	06/26/2019 (6)	184,000	—	$ 0.84	06/25/2029
Wendy Johnson	04/05/2018	500,000	—	$ 0.44	04/04/2028
	06/26/2019 (6)	312,000	—	$ 0.84	06/25/2029

(1) All of the option awards were granted under the 2014 Plan, the terms of which plan is described below under "—Employee Benefit and Stock Plans—2014 Equity Incentive Plan."

(2) All of the option awards were granted with a per share exercise price equal to the fair market value of one share of our common stock on the date of grant, as determined in good faith by our board of directors.

(3) Dr. O'Donnell ceased serving as our President and Chief Executive Officer and as an employee of our company in November 2020 but continues to serve as a non-employee director on our board of directors.

(4) One-fourth of the shares subject to the option award vested on May 1, 2020, and thereafter one-forty-eighth of the shares subject to the option award vested on each monthly anniversary until November 2020. In November 2020, the option was accelerated in full in connection with Mr. Flesher replacing Dr. O'Donnell as our President and Chief Executive Officer.

(5) One-fourth of the shares subject to the option award vested on January 1, 2019, and thereafter one-forty-eighth of the shares subject to the option award vest on each monthly anniversary, subject to continuous service with us. The option includes an early exercise feature.

(6) One-fourth of the shares subject to the option award vested on May 1, 2020, and thereafter one-forty-eighth of the shares subject to the option award vest on each monthly anniversary, subject to continuous service with us. The option includes an early exercise feature.

Options held by certain of our named executive officers are eligible for accelerated vesting under specified circumstances as further described under the section titled "—Potential Payments Upon Termination or Change of Control" below.

Employment, Letter, Severance and Change in Control Agreements

Employment and Letter Agreements

Below are descriptions of our employment and letter agreements with our named executive officers. For a discussion of the severance pay and other benefits to be provided in connection with a termination of employment and/or a change in control under the arrangements with our named executive officers, please see "—Potential Payments Upon Termination or Change of Control" below. Each of our named executive officers is employed "at will."

Mr. Flesher. We entered into an employment agreement with Mr. Flesher in November 2020, which governs the current terms of Mr. Flesher's employment with us. Pursuant to the employment agreement, Mr. Flesher is entitled to an initial annual base salary of $475,000, is eligible to receive an annual performance bonus with a target achievement of 50% of his base salary, as determined by our board of directors or the compensation committee, and an initial stock option, which was granted in January 2021 covering 4,710,389 shares and is described above under "—Equity-Based Incentive Awards". Mr. Flesher is also entitled to receive a special performance bonus in the amount of $7.5 million, payable at our discretion in cash, common stock or a combination of cash and common stock, in the event that during Mr. Flesher's continued service to us (i) our market value exceeds $750 million utilizing the volume-weighted average of the closing sale price of our common stock on the Nasdaq Stock Market or other principal exchange for each of the 30 trading days immediately prior to the measurement date, or (ii) the fair market value of the net proceeds available for distribution to our stockholders in connection with a change in control (as defined in our severance benefit plan described below under "—Potential Payments Upon Termination or Change of Control"), as determined in good faith by our board of directors, exceeds $750 million. Mr. Flesher is also entitled to certain severance benefits, the terms of which are described below under "—Potential Payments Upon Termination or Change of Control." Mr. Flesher is also eligible for standard company benefits, for reimbursement of business expenses, and to participate in employee benefit plans and programs.

Dr. O'Donnell. We entered into a letter agreement with Dr. O'Donnell in February 2018, which governed the terms of Dr. O'Donnell's employment with us. Pursuant to the agreement, Dr. O'Donnell was granted an option to purchase 378,425 shares of our common stock, which was granted in April 2018. Dr. O'Donnell was not entitled to any base salary, annual performance bonus or other compensation or benefits under the agreement. Dr. O'Donnell ceased to serve as our President and Chief Executive Officer and as an employee of our company in November 2020, but continues to serve as a non-employee director on our board of directors.

Dr. Dorenbaum. We entered into an employment agreement with Dr. Dorenbaum, effective January 2018, which governs the current terms of Dr. Dorenbaum's employment with us. Pursuant to the employment agreement, Dr. Dorenbaum is entitled to an initial annual base salary of $320,000 (most recently increased to $425,000), is eligible to receive an annual performance bonus with a target achievement of 35% of his base salary, as determined by our board of directors or the compensation committee, and a stock option to purchase an aggregate of 525,370 shares of our common stock, which was granted in April 2018. Dr. Dorenbaum exercised 60,000 shares of his initial option grant in February 2019 and an additional 60,000 shares in September 2020. Dr. Dorenbaum is also entitled to certain severance benefits, the terms of which are described below under "—Potential Payments Upon Termination or Change of Control." Dr. Dorenbaum is also eligible for standard company benefits, for reimbursement of business expenses, and to participate in employee benefit plans and programs.

Ms. Johnson. We entered into an employment agreement with Ms. Johnson in February 2018, which governs the current terms of Ms. Johnson's employment with us. Pursuant to the employment agreement, Ms. Johnson is entitled to an initial annual base salary of $320,000 (most recently increased to $365,000), is eligible to receive an annual performance bonus with a target achievement of 35% of her base salary, as determined by our board of directors or the compensation committee, and a stock option to purchase an aggregate of 500,000 shares of our common stock, which was granted in April 2018. Ms. Johnson is also entitled to certain severance benefits, the terms of which are

described below under "—Potential Payments Upon Termination or Change of Control." Ms. Johnson is also eligible for standard company benefits, for reimbursement of business expenses, and to participate in employee benefit plans and programs.

Potential Payments Upon Termination or Change of Control

Regardless of the manner in which a named executive officer's service terminates, the named executive officer (other than Dr. O'Donnell) is entitled to receive amounts earned during his or her term of service, including salary and unused vacation pay.

We maintain a severance benefit plan and have entered into a severance benefit plan participation agreement with each of our named executive officers (other than Dr. O'Donnell). Pursuant to these agreements, upon a termination without "cause" or resignation for "good reason" (each as defined below), each of our named executive officers (other than Dr. O'Donnell) will be entitled to continued payment of base salary (nine months for Mr. Flesher and six months for Dr. Dorenbaum and Ms. Johnson), accelerated vesting of outstanding equity awards (full acceleration of all outstanding equity awards for Dr. Dorenbaum and Ms. Johnson and 12 month acceleration of all outstanding equity awards that are subject to time-based vesting for Mr. Flesher), measured from the date of termination, and payment of continued group health benefits (nine months for Mr. Flesher and six months for Dr. Dorenbaum and Ms. Johnson), and Mr. Dorenbaum will be entitled to payment of a prorated target annual performance bonus. In addition, upon a termination without cause or resignation for good reason during the period commencing three months prior to a "change in control" (as defined below) and ending 12 months following a change in control, each of our named executive officers (other than Dr. O'Donnell) will be entitled to continued payment of base salary (12 months for Mr. Flesher and nine months for Dr. Dorenbaum and Ms. Johnson), and payment of continued group health benefits (nine months for Mr. Flesher and six months for Dr. Dorenbaum and Ms. Johnson); additionally, each of our named executive officers (other than Dr. O'Donnell) will be entitled to accelerated vesting in full of all outstanding equity awards and to payment of a prorated target annual performance bonus.

For purposes of the severance benefit plan, the following definitions apply:

- "cause" generally means the occurrence of any of the following events, conditions or actions with respect to the executive: (i) commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (ii) attempted commission of, or participation in, a fraud or act of dishonesty against us; (iii) intentional, material violation of any contract or agreement between the executive and us or of any statutory duty owed to us; (iv) unauthorized use or disclosure of our confidential information or trade secrets; or (v) gross misconduct
- "good reason" generally means the following events, conditions or actions taken by us with respect to the executive without cause and without the executive's consent: (i) a material reduction of the executive's annual base salary, which is a reduction of at least 10% of such executive's base salary (unless pursuant to a salary reduction program applicable generally to our similarly situated employees); (ii) a material reduction in the executive's authority, duties or responsibilities; (iii) a material reduction in the authority, duties, or responsibilities of the supervisor to whom the executive is required to report; (iv) a relocation of the executive's principal place of employment to a place that increases such executive's one-way commute by more than 50 miles as compared to such executive's then-current principal place of employment immediately prior to such relocation
- "change in control" generally means the following events: (i) a change in ownership of representing more than 50% of the combined voting power of our outstanding securities, other than by virtue of a merger, consolidation or similar transaction; (ii) a merger, consolidation or similar transaction in which our stockholders do not own more than 50% of the combined voting power of the surviving entity or its parent; (iii) a dissolution or liquidation, except for a liquidation into a parent corporation; and (iv) a sale, lease, exclusive license or other disposition of all or substantially all of our assets

Dr. O'Donnell's stock option granted in June 2019 accelerated vesting in full as a result of his cessation of employment with us in November 2020. Dr. O'Donnell did not receive any other severance benefits in connection with his separation.

Other Compensation and Benefits

All of our current named executive officers (except for Dr. O'Donnell) are eligible to participate in our employee benefit plans, including our medical, dental, vision, and life plans, in each case on the same basis as all of our other employees. We pay the premiums for the life, disability, accidental death, and dismemberment insurance for all of our employees, including our named executive officers. We generally do not provide perquisites or personal benefits to our named executive officers, except in limited circumstances. During 2020, we paid rental expenses for Mr. Flesher to maintain an apartment in San Diego and related tax gross-up.

Employee Benefit Plans

We believe that our ability to grant equity-based awards is a valuable and necessary compensation tool that aligns the long-term financial interests of our employees, consultants and directors with the financial interests of our stockholders. In addition, we believe that our ability to grant options and other equity-based awards helps us to attract, retain and motivate employees, consultants, and directors, and encourages them to devote their best efforts to our business and financial success. The principal features of our equity incentive plans and our 401(k) plan are summarized below. These summaries are qualified in their entirety by reference to the actual text of the plans, which, other than the 401(k) plan, are filed as exhibits to the registration statement of which this prospectus is a part.

2021 Equity Incentive Plan

Our board of directors adopted our 2021 Plan in and our stockholders approved our 2021 Plan in . Our 2021 Plan provides for the grant of incentive stock options (ISOs) to employees, including employees of any parent or subsidiary, and for the grant of nonstatutory stock options (NSOs) stock appreciation rights, restricted stock awards, restricted stock unit awards, performance awards and other forms of stock awards to employees, directors, and consultants, including employees and consultants of our affiliates. Our 2021 Plan is a successor to and continuation of our 2014 Plan, which is described below. The 2021 Plan will become effective immediately prior to and contingent upon the execution of the underwriting agreement related to this offering.

Authorized Shares. Initially, the maximum number of shares of our common stock that may be issued under our 2021 Plan after it becomes effective will not exceed shares, which is the sum of (1) new shares, plus (2) the number of shares that remain available for issuance under our 2014 Plan at the time our 2021 Plan becomes effective, plus (3) any shares subject to outstanding stock options or other stock awards that were granted under our 2014 Plan that, on or after the 2021 Plan becomes effective, terminate or expire prior to exercise or settlement; are settled in cash; are forfeited or repurchased because of the failure to vest; or are reacquired or withheld to satisfy a tax withholding obligation or the purchase or exercise price in accordance with the terms of the 2014 Plan. In addition, the number of shares of our common stock reserved for issuance under our 2021 Plan will automatically increase on January 1 of each calendar year, starting on January 1, 2022 (assuming the 2021 Plan becomes effective in 2021) through January 1, 2031, in an amount equal to % of the total number of shares of our common stock outstanding on December 31 of the fiscal year before the date of each automatic increase, or a lesser number of shares determined by our board of directors prior to the applicable January 1. The maximum number of shares of our common stock that may be issued upon the exercise of incentive stock options under our 2021 Plan is .

Shares subject to stock awards granted under our 2021 Plan that expire or terminate without being exercised in full, or that are paid out in cash rather than in shares, do not reduce the number of shares available for issuance under our 2021 Plan. Additionally, shares become available for future grant under our 2021 Plan if they were issued under stock awards under our 2021 Plan if we repurchase them or they are forfeited. This includes shares used to pay the exercise price of a stock award or to satisfy the tax withholding obligations related to a stock award.

Plan Administration. Our board of directors, or a duly authorized committee of our board of directors, will administer our 2021 Plan. Our board of directors has delegated concurrent authority to administer our 2021 Plan to the compensation committee. We refer to the board of directors, or the applicable committee with the power to administer our 2021 Plan, as the plan administrator. Our plan administrator may also delegate to one or more of our officers the authority to (1) designate employees (other than officers) to receive specified stock awards and (2) determine the number of shares subject to such stock awards. Under our 2021 Plan, our board of directors has

the authority to determine award recipients, grant dates, the numbers and types of stock awards to be granted, the applicable fair market value, and the provisions of each stock award, including the period of exercisability and the vesting schedule applicable to a stock award. The plan administrator has the power to modify outstanding awards under our 2021 Plan. Subject to the terms of our 2021 Plan, the plan administrator has the authority to reprice any outstanding stock award, cancel and re-grant any outstanding stock award in exchange for new stock awards, cash or other consideration, or take any other action that is treated as a repricing under generally accepted accounting principles, with the consent of any adversely affected participant.

Stock Options. ISOs and NSOs are granted under stock option agreements adopted by the plan administrator. The plan administrator determines the exercise price for stock options, within the terms and conditions of the 2021 Plan, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of our common stock on the date of grant. Options granted under the 2021 Plan vest at the rate specified in the stock option agreement as determined by the plan administrator.

Tax Limitations on ISOs. The aggregate fair market value, determined at the time of grant, of our common stock with respect to ISOs that are exercisable for the first time by an optionholder during any calendar year under all of our stock plans may not exceed $100,000. Options or portions thereof that exceed such limit will generally be treated as NSOs. No ISO may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power or that of any of our affiliates unless (1) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant, and (2) the term of the ISO does not exceed five years from the date of grant.

Restricted Stock Unit Awards. Restricted stock units are granted under restricted stock unit award agreements adopted by the plan administrator. Restricted stock units may be granted in consideration for any form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. A restricted stock unit may be settled by cash, delivery of stock, a combination of cash and stock as deemed appropriate by the plan administrator, or in any other form of consideration set forth in the restricted stock unit agreement. Additionally, dividend equivalents may be credited in respect of shares covered by a restricted stock unit. Except as otherwise provided in the applicable award agreement or other written agreement between us and the participant, restricted stock units that have not vested will be forfeited once the participant's continuous service ends for any reason.

Restricted Stock Awards. Restricted stock awards are granted under restricted stock award agreements adopted by the plan administrator. A restricted stock award may be awarded in consideration for cash, check, bank draft or money order, services to us, or any other form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. The plan administrator determines the terms and conditions of restricted stock awards, including vesting and forfeiture terms. If a participant's service relationship with us ends for any reason, we may receive any or all of the shares of common stock held by the participant that have not vested as of the date the participant terminates service with us through a forfeiture condition or a repurchase right.

Stock Appreciation Rights. Stock appreciation rights are granted under stock appreciation grant agreements adopted by the plan administrator. The plan administrator determines the purchase price or strike price for a stock appreciation right, which generally cannot be less than 100% of the fair market value of our common stock on the date of grant. A stock appreciation right granted under the 2021 Plan vests at the rate specified in the stock appreciation right agreement as determined by the plan administrator.

Performance Awards. The 2021 Plan permits the grant of performance-based stock and cash awards. The plan administrator may structure awards so that the shares of our stock, cash, or other property will be issued or paid only following the achievement of certain pre-established performance goals during a designated performance period. The performance criteria that will be used to establish such performance goals may be based on any measure of performance selected by the plan administrator.

The performance goals may be based on a company-wide basis, with respect to one or more business units, divisions, affiliates, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise (i) in the award agreement at the time the award is granted or (ii) in such other document setting forth the performance goals at the time the goals are established, we will appropriately make adjustments in the method of calculating the

attainment of performance goals as follows: (1) to exclude restructuring and/or other nonrecurring charges; (2) to exclude exchange rate effects; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of any statutory adjustments to corporate tax rates; (5) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (6) to exclude the dilutive effects of acquisitions or joint ventures; (7) to assume that any portion of our business which is divested achieved performance objectives at targeted levels during the balance of a performance period following such divestiture; (8) to exclude the effect of any change in the outstanding shares of our common stock by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (9) to exclude the effects of stock based compensation and the award of bonuses under our bonus plans; (10) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally accepted accounting principles; and (11) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles. In addition, we retain the discretion to reduce or eliminate the compensation or economic benefit due upon attainment of the goals. The performance goals may differ from participant to participant and from award to award.

Other Stock Awards. The plan administrator may grant other awards based in whole or in part by reference to our common stock. The plan administrator will set the number of shares under the stock award (or cash equivalent) and all other terms and conditions of such awards.

Non-Employee Director Compensation Limit. The aggregate value of all compensation granted or paid to any non-employee director with respect to any calendar year, including stock awards granted and cash fees paid by us to such non-employee director, will not exceed $ in total value, or in the event such non-employee director is first appointed or elected to the board during such annual period, $ in total value (in each case, calculating the value of any such stock awards based on the grant date fair value of such stock awards for financial reporting purposes).

Changes to Capital Structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization, appropriate adjustments will be made to (1) the class and maximum number of shares reserved for issuance under the 2021 Plan, (2) the class and maximum number of shares by which the share reserve may increase automatically each year, (3) the class and maximum number of shares that may be issued upon the exercise of incentive stock options, and (4) the class and number of shares and exercise price, strike price, or purchase price, if applicable, of all outstanding stock awards.

Corporate Transactions. The following applies to stock awards under the 2021 Plan in the event of a corporate transaction, unless otherwise provided in a participant's stock award agreement or other written agreement with us or one of our affiliates or unless otherwise expressly provided by the plan administrator at the time of grant.

In the event of a corporate transaction, any stock awards outstanding under the 2021 Plan may be assumed, continued or substituted for by any surviving or acquiring corporation (or its parent company), and any reacquisition or repurchase rights held by us with respect to the stock award may be assigned to the successor (or its parent company). If the surviving or acquiring corporation (or its parent company) does not assume, continue or substitute for such stock awards, then with respect to any such stock awards that are held by participants whose continuous service has not terminated prior to the effective time of the transaction, or current participants, the vesting (and exercisability, if applicable) of such stock awards will be accelerated in full to a date prior to the effective time of the transaction (contingent upon the effectiveness of the transaction), and such stock awards will terminate if not exercised (if applicable) at or prior to the effective time of the transaction, and any reacquisition or repurchase rights held by us with respect to such stock awards will lapse (contingent upon the effectiveness of the transaction). With respect to performance awards with multiple vesting levels depending on performance level, unless otherwise provided by an award agreement or by the administrator, the award will accelerate at 100% of target. If the surviving or acquiring corporation (or its parent company) does not assume, continue or substitute for such stock awards, then with respect to any such stock awards that are held by persons other than current participants, such awards will terminate if not exercised (if applicable) prior to the effective time of the transaction, except that any reacquisition or repurchase rights held by us with respect to such stock awards will not terminate and may continue to be exercised

notwithstanding the transaction. The plan administrator is not obligated to treat all stock awards or portions of stock awards in the same manner and is not obligated to take the same actions with respect to all participants.

In the event a stock award will terminate if not exercised prior to the effective time of a corporate transaction, the plan administrator may provide, in its sole discretion, that the holder of such stock award may not exercise such stock award but instead will receive a payment equal in value to the excess (if any) of (1) the value of the property the participant would have received upon the exercise of the stock award over (2) any exercise price payable by such holder in connection with such exercise.

Under our 2021 Plan, a corporate transaction is defined to include the consummation of: (1) a sale of all or substantially all of our assets, (2) the sale or disposition of at least 50% of our outstanding securities, (3) a merger or consolidation where we do not survive the transaction, and (4) a merger or consolidation where we do survive the transaction but the shares of our common stock outstanding before such transaction are converted or exchanged into other property by virtue of the transaction, unless otherwise provided in an award agreement or other written agreement between us and the award holder.

Change in Control. Awards granted under the 2021 Plan may be subject to acceleration of vesting and exercisability upon or after a change in control (as defined in the 2021 Plan) as may be provided in the applicable stock award agreement or in any other written agreement between us or any affiliate and the participant, but in the absence of such provision, no such acceleration will automatically occur.

Under the 2021 Plan, a change in control is defined to include (1) the acquisition by any person or company of more than 50% of the combined voting power of our then outstanding stock; (2) a consummated merger, consolidation or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined voting power of the surviving entity (or the parent of the surviving entity); (3) the approval by the stockholders or the board of directors of a plan of complete dissolution or liquidation of the company, or the occurrence of a complete dissolution or liquidation of the company, except for a liquidation into a parent corporation; (4) a consummated sale, lease, exclusive license or other disposition of all or substantially all of our assets other than to an entity more than 50% of the combined voting power of which is owned by our stockholders; and (5) an unapproved change in the majority of the board of directors.

Transferability. A participant may not transfer stock awards under our 2021 Plan other than by will, the laws of descent and distribution, or as otherwise provided under our 2021 Plan.

Plan Amendment or Termination. Our board of directors has the authority to amend, suspend, or terminate our 2021 Plan, provided that such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders. No incentive stock options may be granted after the tenth anniversary of the date our board of directors adopted our 2021 Plan. No stock awards may be granted under our 2021 Plan while it is suspended or after it is terminated.

2014 Equity Incentive Plan

The 2014 Plan was first adopted in 2014 and subsequently amended by our board of directors and stockholders, most recently in December 2020, respectively. All references in this prospectus to the 2014 Plan shall be deemed to refer to our 2014 Equity Incentive Plan, as amended, unless the context otherwise requires. As of December 31, 2020, there were 9,651,000 shares remaining available for the future grant of stock awards under our 2014 Plan. As of December 31, 2020, there were outstanding stock options covering a total of 4,186,157 shares of our common stock that were granted under our 2014 Plan.

Stock Awards. Our 2014 Plan provides for the grant of ISOs within the meaning of Section 422 of the Code to employees, including employees of any parent or subsidiary, and for the grant of NSOs, stock appreciation rights, restricted stock awards, restricted stock unit awards and other stock awards to employees, directors and consultants, including employees and consultants of our affiliates. We have granted stock options under the 2014 Plan.

Authorized Shares. Subject to certain capitalization adjustments, the aggregate number of shares of common stock that may be issued pursuant to stock awards under the 2014 Plan will not exceed 14,094,797 shares. The maximum number of shares of our common stock that may be issued pursuant to the exercise of ISOs under our 2014 Plan is 28,189,594 shares.

Shares subject to stock awards granted under our 2014 Plan that expire or terminate without being exercised in full or that are settled in cash rather than in shares do not reduce the number of shares available for issuance under our 2014 Plan. Additionally, if any shares issued pursuant to a stock award are forfeited back to or repurchased because of the failure to meet a contingency or condition required to vest, then the shares that are forfeited or repurchased will revert to and again become available for issuance under the 2014 Plan. This includes shares used to pay the exercise price of a stock award or to satisfy the tax withholding obligations related to a stock award.

Plan Administration. Our board of directors, or a duly authorized committee of our board of directors, will administer our 2014 Plan and is referred to as the "plan administrator" herein. The plan administrator may also delegate to one or more of our officers the authority to (1) designate employees (other than officers) to receive specified stock awards and (2) determine the number of shares subject to such stock awards. Under our 2014 Plan, the plan administrator has the authority to determine award recipients, dates of grant, the numbers and types of stock awards to be granted, the applicable fair market value and the provisions of each stock award, including the period of their exercisability and the vesting schedule applicable to a stock award.

Under the 2014 Plan, the plan administrator also generally has the authority to effect, with the consent of any adversely affected participant, (A) the reduction of the exercise, purchase, or strike price of any outstanding award; (B) the cancellation of any outstanding award and the grant in substitution therefore of other awards, cash, or other consideration; or (C) any other action that is treated as a repricing under generally accepted accounting principles.

Stock Options. ISOs and NSOs are granted under stock option agreements adopted by the plan administrator. The plan administrator determines the exercise price for stock options, within the terms and conditions of the 2014 Plan, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of our common stock on the date of grant (or 110% of the fair market value for ISOs granted to 10% stockholders as required by the Code). Options granted under the 2014 Plan vest at the rate specified in the stock option agreement as determined by the plan administrator.

The plan administrator determines the term of stock options granted under the 2014 Plan, up to a maximum of 10 years. If an optionholder's service relationship with us or any of our affiliates ceases for any reason other than disability, death or cause, the optionholder may generally exercise any vested options for a period of three months following the cessation of service. This period may be extended in the event that exercise of the option is prohibited by applicable securities laws or our insider trading policy. If an optionholder's service relationship with us or any of our affiliates ceases due to death, or an optionholder dies within a certain period following cessation of service, the optionholder or a beneficiary may generally exercise any vested options for a period of 18 months following the date of death. If an optionholder's service relationship with us or any of our affiliates ceases due to disability, the optionholder may generally exercise any vested options for a period of 12 months following the cessation of service.

In the event of a termination for cause, options generally terminate upon the termination date. In no event may an option be exercised beyond the expiration of its term.

Changes to Capital Structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization, appropriate adjustments will be made to (1) the class and maximum number of shares reserved for issuance under the 2014 Plan, (2) the class and maximum number of shares that may be issued upon the exercise of ISOs and (3) the class and number of shares and exercise price, strike price, or purchase price, if applicable, of all outstanding stock awards.

Corporate Transactions. Our 2014 Plan provides that in the event of certain specified significant corporate transactions, unless otherwise provided in an award agreement or other written agreement between us and the award holder, the plan administrator may take one or more of the following actions with respect to such stock awards:

- arrange for the assumption, continuation, or substitution of a stock award by a surviving or acquiring corporation;
- arrange for the assignment of any reacquisition or repurchase rights held by us to the surviving or acquiring corporation;
- accelerate the vesting, in whole or in part, of the stock award and provide for its termination if not exercised (if applicable) at or before the effective time of the transaction;

- arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by us;
- cancel or arrange for the cancellation of the stock award, to the extent not vested or not exercised before the effective time of the transaction, in exchange for such cash payment, if any as the plan administrator deems appropriate; and
- make a payment equal to the excess, if any, of (A) the value of the property the participant would have received on exercise of the award immediately before the effective time of the transaction, over (B) any exercise price payable by the participant in connection with the exercise.

The plan administrator is not obligated to treat all stock awards or portions of stock awards in the same manner and is not obligated to treat all participants in the same manner.

Under the 2014 Plan, a corporate transaction is generally the consummation of: (1) a sale of all or substantially all of our assets, (2) the sale or disposition of at least 90% of our outstanding securities, (3) a merger or consolidation where we do not survive the transaction, or (4) a merger or consolidation where we do survive the transaction but the shares of our common stock outstanding immediately before such transaction are converted or exchanged into other property by virtue of the transaction.

Change in Control. A stock award under the 2014 Plan may be subject to additional acceleration of vesting and exercisability upon or after a change in control as may be provided in the award agreement or other written agreement between us and the participant, but in the absence of such provision, no such acceleration will occur, except as described above. Under the 2014 Plan, a change in control is generally (1) the acquisition by any person or company of more than 50% of the combined voting power of our then outstanding stock, (2) a merger, consolidation or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined voting power of the surviving entity (or the parent of the surviving entity) in substantially the same proportions as their ownership immediately prior to such transaction, or (3) a sale, lease, exclusive license or other disposition of all or substantially all of our assets other than to an entity more than 50% of the combined voting power of which is owned by our stockholders in substantially the same proportions as their ownership of our outstanding voting securities immediately prior to such transaction.

Plan Amendment or Termination. Our board of directors has the authority to amend, suspend, or terminate our 2014 Plan, provided that such action does not impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders. Unless terminated sooner, the 2014 Plan will automatically terminate on November 18, 2024. No stock awards may be granted under our 2014 Plan while it is suspended or after it is terminated.

UK Sub-Plan. Our board of directors has also adopted the UK Sub-Plan to the 2014 Plan (2014 UK Sub-Plan) to apply to grants made to our UK Service Providers. The 2014 UK Sub-Plan allows us to grant options to the UK Service Providers under the 2014 Plan under similar terms to those in the 2014 Plan, however, the 2014 UK Sub-Plan provides for the grant of EMI options compliant with the requirements of the EMI code set out in the ITEPA.

2021 Employee Stock Purchase Plan

Our board of directors adopted our 2021 Employee Stock Purchase Plan (ESPP) in and we expect our stockholders to approve our ESPP prior to the completion of this offering. The ESPP will become effective immediately prior to and contingent upon the execution of the underwriting agreement related to this offering. The purpose of the ESPP is to secure the services of new employees, to retain the services of existing employees, and to provide incentives for such individuals to exert maximum efforts toward our success and that of our affiliates. The ESPP includes two components. One component is designed to allow eligible U.S. employees to purchase our common stock in a manner that may qualify for favorable tax treatment under Section 423 of the Code. In addition, purchase rights may be granted under a component that does not qualify for such favorable tax treatment because of deviations necessary to permit participation by eligible employees who are foreign nationals or employed outside of the U.S. while complying with applicable foreign laws.

Share Reserve. Following this offering, the ESPP authorizes the issuance of shares of our common stock under purchase rights granted to our employees or to employees of any of our designated affiliates. The number of shares of our common stock reserved for issuance will automatically increase on January 1 of each calendar year, beginning on January 1, 2022 (assuming the ESPP becomes effective in 2021) through January 1, 2031, by the lesser of (1) % of the total number of shares of our common stock outstanding on the last day of the fiscal year before the date of the automatic increase, and (2) shares; provided that before the date of any such increase, our board of directors may determine that such increase will be less than the amount set forth in clauses (1) and (2). As of the date hereof, no shares of our common stock have been purchased under the ESPP.

Administration. Our board of directors administers the ESPP and may delegate its authority to administer the ESPP to our compensation committee. The ESPP is implemented through a series of offerings under which eligible employees are granted purchase rights to purchase shares of our common stock on specified dates during such offerings. Under the ESPP, we may specify offerings with durations of not more than 27 months, and may specify shorter purchase periods within each offering. Each offering will have one or more purchase dates on which shares of our common stock will be purchased for employees participating in the offering. An offering under the ESPP may be terminated under certain circumstances.

Payroll Deductions. Generally, all regular employees, including executive officers, employed by us or by any of our designated affiliates, may participate in the ESPP and may contribute, normally through payroll deductions, up to 15% of their earnings (as defined in the ESPP) for the purchase of our common stock under the ESPP. Unless otherwise determined by our board of directors, common stock will be purchased for the accounts of employees participating in the ESPP at a price per share that is at least the lesser of (1) 85% of the fair market value of a share of our common stock on the first date of an offering, or (2) 85% of the fair market value of a share of our common stock on the date of purchase.

Limitations. Employees may have to satisfy one or more of the following service requirements before participating in the ESPP, as determined by our board of directors, including: (1) being customarily employed for more than 20 hours per week, (2) being customarily employed for more than five months per calendar year, or (3) continuous employment with us or one of our affiliates for a period of time (not to exceed two years). No employee may purchase shares under the ESPP at a rate in excess of $25,000 worth of our common stock based on the fair market value per share of our common stock at the beginning of an offering for each calendar year such a purchase right is outstanding. Finally, no employee will be eligible for the grant of any purchase rights under the ESPP if immediately after such rights are granted, such employee has voting power over 5% or more of our outstanding capital stock measured by vote or value under Section 424(d) of the Code.

Changes to Capital Structure. In the event that there occurs a change in our capital structure through such actions as a stock split, merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or similar transaction, the board of directors will make appropriate adjustments to: (1) the class(es) and maximum number of shares reserved under the ESPP, (2) the class(es) and maximum number of shares by which the share reserve may increase automatically each year, (3) the class(es) and number of shares subject to and purchase price applicable to outstanding offerings and purchase rights, and (4) the number of shares that are subject to purchase limits under ongoing offerings.

Corporate Transactions. In the event of certain significant corporate transactions, including the consummation of (1) a sale of all or substantially all of our assets, (2) the sale or disposition of more than 50% of our outstanding securities, (3) a merger or consolidation where we do not survive the transaction, or (4) a merger or consolidation where we do survive the transaction but the shares of our common stock outstanding immediately before such transaction are converted or exchanged into other property by virtue of the transaction, any then-outstanding rights to purchase our stock under the ESPP may be assumed, continued or substituted for by any surviving or acquiring entity (or its parent company). If the surviving or acquiring entity (or its parent company) elects not to assume, continue, or substitute for such purchase rights, then the participants' accumulated payroll contributions will be used to purchase shares of our common stock within ten business days before such corporate transaction, and such purchase rights will terminate immediately.

ESPP Amendment or Termination. Our board of directors has the authority to amend or terminate our ESPP, provided that except in certain circumstances such amendment or termination may not materially impair any outstanding purchase rights without the holder's consent. We will obtain stockholder approval of any amendment to our ESPP as required by applicable law or listing requirements.

401(k) Plan

We maintain a 401(k) plan that provides eligible U.S. employees with an opportunity to save for retirement on a tax advantaged basis. Eligible employees are able to defer eligible compensation up to certain Code limits, which are updated annually. The 401(k) plan provides for automatic enrollment for eligible employees who do not make a deferral election. As the 401(k) plan is a safe harbor 401(k) plan, we are required to make a certain level of matching contributions. We may make discretionary contributions to the 401(k) plan but currently, do not. The 401(k) plan is intended to be qualified under Section 401(a) of the Code, with the related trust intended to be tax exempt under Section 501(a) of the Code. As a tax-qualified retirement plan, contributions to the 401(k) plan are deductible by us when made, and contributions and earnings on those amounts are not generally taxable to the employees until withdrawn or distributed from the 401(k) plan.

Limitations on Liability and Indemnification

Upon the closing of this offering, our amended and restated certificate of incorporation will contain provisions that limit the liability of our current and former directors for monetary damages to the fullest extent permitted by Delaware law. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director's duty of loyalty to the corporation or its stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions; or
- any transaction from which the director derived an improper personal benefit.

Such limitation of liability does not apply to liabilities arising under federal securities laws and does not affect the availability of equitable remedies such as injunctive relief or rescission.

Our amended and restated certificate of incorporation will authorize us to indemnify our directors, officers, employees and other agents to the fullest extent permitted by Delaware law. Our amended and restated bylaws will provide that we are required to indemnify our directors and officers to the fullest extent permitted by Delaware law and may indemnify our other employees and agents. Our amended and restated bylaws will also provide that, on satisfaction of certain conditions, we will advance expenses incurred by a director or officer in advance of the final disposition of any action or proceeding, and permit us to secure insurance on behalf of any officer, director, employee, or other agent for any liability arising out of his or her actions in that capacity regardless of whether we would otherwise be permitted to indemnify him or her under the provisions of Delaware law. We have entered and expect to continue to enter into agreements to indemnify our directors, executive officers and other employees as determined by the board of directors. With certain exceptions, these agreements provide for indemnification for related expenses including attorneys' fees, judgments, fines and settlement amounts incurred by any of these individuals in any action or proceeding.

We believe that these amended and restated certificate of incorporation and amended and restated bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers. We also maintain customary directors' and officers' liability insurance.

The limitation of liability and indemnification provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against our directors for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage awards against directors and officers as required by these indemnification provisions.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted for directors, executive officers, or persons controlling us, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Rule 10b5-1 Plans

Our directors and officers may adopt written plans, known as Rule 10b5-1 plans, in which they will contract with a broker to buy or sell shares of our common stock on a periodic basis. Under a Rule 10b5-1 plan, a broker executes trades under parameters established by the director or officer when entering into the plan, without further direction from them. The director or officer may amend a Rule 10b5-1 plan in some circumstances and may terminate a plan at any time. Our directors and executive officers may also buy or sell additional shares outside of a Rule 10b5-1 plan when they do not possess of material nonpublic information, subject to compliance with the terms of our insider trading policy. During the first 180 days from this offering, the sale of any shares under such plan would be subject to the lock-up agreement that the director or officer has entered into with the underwriters.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

The following includes a summary of transactions since January 1, 2018 to which we have been a party in which the amount involved exceeded or will exceed the lesser of $120,000 or 1% of the average of our total assets as of December 31, 2019 and 2020, and in which any of our directors, executive officers or, to our knowledge, beneficial owners of more than 5% of our capital stock or any member of the immediate family of any of the foregoing persons had or will have a direct or indirect material interest, other than equity and other compensation, termination, change in control and other arrangements, which are described under “Management—Director Compensation” and “Executive Compensation.” We also describe below certain other transactions with our directors, executive officers and stockholders.

Series A Convertible Preferred Stock Financing

In December 2017, we completed the first initial closing of an aggregate of 3,006,175 shares of our Series A convertible preferred stock at a purchase price of $2.16 per share. In January 2018, we completed the second initial closing of an aggregate of an additional 9,722,222 shares of our Series A convertible preferred stock, at the same purchase price per share. In May 2019, we completed the milestone closing of an aggregate of an additional 11,574,075 shares of our Series A convertible preferred stock, at the same purchase price per share.

The following table summarizes purchases of shares of our Series A convertible preferred stock by holders of more than 5% of our capital stock (at the time of the applicable transaction) and entities affiliated with members of our board of directors.

PARTICIPANTS (1)	SHARES OF SERIES A CONVERTIBLE PREFERRED STOCK PURCHASED AT FIRST INITIAL CLOSING	AGGREGATE PURCHASE PRICE AT FIRST INITIAL CLOSING	SHARES OF SERIES A CONVERTIBLE PREFERRED STOCK PURCHASED AT SECOND INITIAL CLOSING	AGGREGATE PURCHASE PRICE AT SECOND INITIAL CLOSING	SHARES OF SERIES A CONVERTIBLE PREFERRED STOCK PURCHASED AT MILESTONE CLOSING	AGGREGATE PURCHASE PRICE AT MILESTONE CLOSING
Entities affiliated with New Enterprise Associates (2)	1,508,349 (3)	$3,137,761.97 (4)	3,395,062 (5)	$7,333,333.92	4,629,630 (5)	$10,000,000.80
The Grey Family Trust dated November 12, 1999 (6)	90,222	$ 155,904.11 (4)	—	—	—	—
Susan E. Dubé Trust, dated May 6, 2002 (7)	18,044	$ 31,180.82 (4)	—	—	—	—
Entities affiliated with Pappas Capital, LLC (8)	403,979 (9)	$ 533,334.24 (4)	679,012 (10)	$1,466,665.92	925,926 (11)	$ 2,000,000.16
Entities affiliated with RiverVest Venture Fund III, L.P. (12)	296,081 (13)	$ 511,630.14 (4)	2,314,815 (14)	$5,000,000.40	2,314,815 (14)	$ 5,000,000.40
Lundbeckfond Invest A/S (15)	—	—	2,314,815	$5,000,000.40	2,314,815	$ 5,000,000.40

(1) Additional details regarding these stockholders and their equity holdings are included in this prospectus under the caption “Principal Stockholders.”
(2) Mr. Mathers, a member of our board of directors, is employed as a Partner at New Enterprise Associates, Inc., which is affiliated with New Enterprise Associates 15, L.P. (NEA 15) and NEA Ventures 2017, Limited Partnership (NEA Ventures).
(3) Consists of (i) 1,501,960 shares of Series A convertible preferred stock purchased by NEA 15 and (ii) 6,389 shares of Series A convertible preferred stock purchased by NEA Ventures.
(4) All or a portion of the consideration paid for such shares of Series A convertible preferred stock was funded through the conversion of the aggregate principal amount and accrued interest of a convertible promissory note.
(5) Consists of shares of Series A convertible preferred stock purchased by NEA 15.
(6) Mr. Grey, our Executive Chairman, is trustee of The Grey Family Trust dated November 12, 1999.
(7) Susan E. Dubé, a former member of our board of directors and our former Secretary, is the trustee of the Susan E. Dubé Trust, dated May 6, 2002.
(8) Mr. Grey, our Executive Chairman, is a venture partner at Pappas Capital, LLC. Arthur Pappas and Scott Weiner, each a former member of our board of directors, is or was affiliated with Pappas Capital, LLC.

(9) Consists of (i) 157,065 shares of Series A convertible preferred stock purchased by Pappas Capital, LLC, (ii) 228,173 shares of Series A convertible preferred stock purchased by A. M. Pappas Life Science Ventures V, LP and (iii) 18,741 shares of Series A convertible preferred stock purchased by PV V CEO Fund, LP.
(10) Consists of (i) 627,475 shares of Series A convertible preferred stock purchased by A. M. Pappas Life Science Ventures V, LP and (ii) 51,537 shares of Series A convertible preferred stock purchased by PV V CEO Fund, LP.
(11) Consists of (i) 855,648 shares of Series A convertible preferred stock purchased by A. M. Pappas Life Science Ventures V, LP and (ii) 70,278 shares of Series A convertible preferred stock purchased by PV V CEO Fund, LP.
(12) Dr. O'Donnell, our former President and Chief Executive Officer and a member of our board of directors, is a manager at RiverVest Venture Partners and is an affiliate of RiverVest Venture Fund III, L.P., RiverVest Venture Fund III (Ohio), L.P. and RiverVest Venture Fund IV, L.P.
(13) Consists of (i) 281,159 shares of Series A convertible preferred stock purchased by RiverVest Venture Fund III, L.P. and (ii) 14,922 shares of Series A convertible preferred stock purchased by RiverVest Venture Fund III (Ohio), L.P.
(14) Consists of shares of Series A convertible preferred stock purchased by RiverVest Venture Fund IV, L.P.
(15) Dr. Kördel, a member of our board of directors, is employed as a senior advisor at Lundbeckfond Ventures, an entity affiliated with Lundbeckfond Invest A/S.

Series B Convertible Preferred Stock Financing

In December 2020, we completed the initial closing of an aggregate of 23,440,514 shares of our Series B convertible preferred stock at a purchase price of $2.0215 per share.

The following table summarizes purchases of shares of our Series B convertible preferred stock by holders of more than 5% of our capital stock and entities affiliated with members of our board of directors.

PARTICIPANTS (1)	SHARES OF SERIES B CONVERTIBLE PREFERRED STOCK PURCHASED AT INITIAL CLOSING	AGGREGATE PURCHASE PRICE AT INITIAL CLOSING
Novo Holdings A/S (2)	6,183,527	$12,499,999.84
New Enterprise Associates 15, L.P. (3)	4,452,140	$ 9,000,001.01
Abingworth Bioventures 8 LP (4)	3,710,116	$ 7,499,999.50
Entities affiliated with RiverVest Venture Fund III, L.P. (5)	1,855,058 (6)	$ 3,749,999.75
Lundbeckfond Invest A/S (7)	1,484,047	$ 3,000,001.02
Aisling Capital V, L.P. (8)	1,236,705	$ 2,499,999.16
Entities affiliated with Pappas Capital, LLC (9)	593,619 (10)	$ 1,200,000.81

(1) Additional details regarding these stockholders and their equity holdings are included in this prospectus under the caption "Principal Stockholders."
(2) Dr. Harrison, a member of our board of directors, is employed as a partner at Novo Ventures (US) Inc., which provides certain consultancy services to Novo Holdings A/S. Dr. Harrison is not deemed to hold any beneficiary ownership or reportable pecuniary interest in the shares held by Novo Holdings A/S.
(3) Mr. Mathers, a member of our board of directors, is employed as a Partner at New Enterprise Associates, Inc., which is affiliated with NEA 15.
(4) Dr. Muralidhar, a member of our board of directors, is employed as a partner at Abingworth LLP, an entity affiliated with Abingworth Bioventures 8 LP.
(5) Dr. O'Donnell, our former President and Chief Executive Officer and a member of our board of directors, is a manager at RiverVest Venture Partners and is an affiliate of RiverVest Venture Fund IV, L.P.
(6) Consists of shares of Series B convertible preferred stock purchased by RiverVest Venture Fund IV, L.P.
(7) Dr. Kördel, a member of our board of directors, is employed as a senior advisor at Lundbeckfond Ventures, an entity affiliated with Lundbeckfond Invest A/S.
(8) Ms. Seltzer, a member of our board of directors, is employed as a partner at Aisling Capital LLC, an entity affiliated with Aisling Capital V, L.P.
(9) Mr. Grey, our Executive Chairman, is a venture partner at Pappas Capital, LLC.
(10) Consists of (i) 549,106 shares of Series B convertible preferred stock purchased by A. M. Pappas Life Science Ventures V, LP and (ii) 44,513 shares of Series B convertible preferred stock purchased by PV V CEO Fund, LP.

Agreements with vTv Therapeutics

Below is a description of the agreements we have entered into with vTv Therapeutics, a 5% holder of our capital stock.

Common Stock Issuance Agreements

In January 2018, we entered into a Common Stock Issuance Agreement with vTv Therapeutics pursuant to which we issued vTv Therapeutics an aggregate of 392,518 shares of our common stock as partial consideration of the rights granted to us pursuant to the vTv License Agreement. See "Business—License Agreement with vTv Therapeutics LLC" for a description of the vTv License Agreement

In May 2019, we entered into a Common Stock Issuance Agreement with vTv Therapeutics pursuant to which we issued vTv Therapeutics an aggregate of 801,659 shares of our common stock as partial consideration of the rights granted to us pursuant to the vTv License Agreement.

The above listed issuances and a prior issuance of common stock to vTv Therapeutics in December 2017 satisfied in full our obligations under the vTv License Agreement to issue shares of our common stock to vTv Therapeutics as partial consideration of the rights granted to us pursuant to the vTv License Agreement.

Employment Agreements, Letter Agreement and Stock Option Grants to Directors and Executive Officers

We have entered into employment agreements and a letter agreement with certain of our named executive officers, and granted stock options to our named executive officers and certain of our directors, as more fully described in the sections titled "Executive Compensation" and "Management—Director Compensation."

Investors' Rights Agreement

In December 2020, we entered into an Amended and Restated Investors' Rights Agreement (the Rights Agreement) with certain affiliates of our directors and certain holders of more than 5% of our outstanding capital stock, including entities affiliated with New Enterprise Associates, Novo Holdings A/S, entities affiliated with RiverVest Venture Fund III, L.P., Lundbeckfond Invest A/S, Abingworth Bioventures 8 LP, and entities affiliated with Pappas Capital, LLC.

The Rights Agreement grants certain rights to the holders of our outstanding preferred stock and to certain holders of our outstanding common stock, including certain registration rights with respect to the registrable securities held by them. See "Description of Capital Stock—Registration Rights" for additional information.

In addition, the Rights Agreement imposes certain affirmative obligations on us, including our obligation to, among other things, grant (i) each holder who holds at least 1,000,000 shares of our convertible preferred stock and (ii) certain holders who hold at least 1,000,000 shares of our common stock and our convertible preferred stock in the aggregate (collectively the Major Investors) and vTv Therapeutics, a right of first offer with respect to future sales of our equity, excluding the shares to be offered and sold in this offering, and grant certain information and inspection rights to such Major Investors. Other than the registration rights, each of these obligations will terminate in connection with the closing of this offering.

Voting Agreement

In December 2020, we entered into an Amended and Restated Voting Agreement (the Voting Agreement) with certain affiliates of our directors, trusts for the benefit of immediate family members of an executive officer and certain holders of more than 5% of our outstanding capital stock, including entities affiliated with New Enterprise Associates, Novo Holdings A/S, entities affiliated with RiverVest Venture Fund III, L.P., Lundbeckfond Invest A/S, Abingworth Bioventures 8 LP, and entities affiliated with Pappas Capital, LLC.

Pursuant to the Voting Agreement, each of Novo Holdings A/S, Abingworth Bioventures 8 LP, Aisling Capital V, L.P., New Enterprise Associates 15, L.P, RiverVest Venture Fund IV, L.P. and Lundbeckfond Invest A/S have the right to designate one member to be elected to our board of directors. See "Management—Composition of our Board of Directors." The Voting Agreement will terminate in connection with the closing of this offering and none of our stockholders will have any continuing rights regarding the election or designation of members of our board of directors following this offering.

Right of First Refusal and Co-Sale Agreement

In December 2020, we entered into an Amended and Restated Right of First Refusal and Co-Sale Agreement (the Co-Sale Agreement) with certain affiliates of our directors, trusts for the benefit of immediate family members of an executive officer and certain holders of more than 5% of our outstanding capital stock, including entities affiliated with New Enterprise Associates, Novo Holdings A/S, entities affiliated with RiverVest Venture Fund III, L.P., Lundbeckfond Invest A/S, Abingworth Bioventures 8 LP, and entities affiliated with Pappas Capital, LLC.

Pursuant to the Co-Sale Agreement, we have a right of first refusal in respect of certain sales of securities by certain holders of our common stock and preferred stock, including certain affiliates of our directors, trusts for the benefit of immediate family members of an executive officer and certain holders of more than 5% of our outstanding capital stock. To the extent we do not exercise such right in full, the Major Investors are granted certain rights of first refusal and co-sale in respect of such sale. The Co-Sale Agreement will terminate in connection with the closing of this offering.

Indemnification Agreements

Our amended and restated certificate of incorporation will contain provisions limiting the liability of directors, and our amended and restated bylaws will provide that we will indemnify each of our directors and officers to the fullest extent permitted under Delaware law. Our amended and restated certificate of incorporation and amended and restated bylaws will also provide our board of directors with discretion to indemnify our employees and other agents when determined appropriate by the board. In addition, we have entered into or intend to enter into an indemnification agreement with each of our directors and executive officers, which will require us to indemnify them. For more information regarding these agreements, see “Executive Compensation—Limitations on Liability and Indemnification Matters.”

Policies and Procedures for Transactions with Related Persons

We have adopted a written policy that our executive officers, directors, nominees for election as a director, beneficial owners of more than 5% of any class of our common stock and any members of the immediate family of any of the foregoing persons are not permitted to enter into a related person transaction with us without the approval or ratification of our board of directors or our audit committee. Any request for us to enter into a transaction with an executive officer, director, nominee for election as a director, beneficial owner of more than 5% of any class of our common stock, or any member of the immediate family of any of the foregoing persons, in which the amount involved exceeds $120,000 (or, if less, 1% of the average of our total assets in a fiscal year) and such person would have a direct or indirect interest, must be presented to our board of directors or our audit committee for review, consideration and approval. In approving or rejecting any such proposal, our board of directors or our audit committee is to consider the material facts of the transaction, including whether the transaction is on terms comparable to the terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the related person’s interest in the transaction. All of the transactions described in this section occurred prior to the adoption of this policy.

PRINCIPAL STOCKHOLDERS

The following table sets forth information regarding beneficial ownership of our capital stock as of January 31, 2021 by:

- each person, or group of affiliated persons, known by us to beneficially own more than 5% of our common stock;
- each of our directors;
- each of our named executive officers; and
- all of our current executive officers and directors as a group.

We have determined beneficial ownership in accordance with the rules and regulations of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Except as indicated by the footnotes below, we believe, based on information furnished to us, that the persons and entities named in the table below have sole voting and sole investment power with respect to all shares that they beneficially own, subject to applicable community property laws.

Applicable percentage ownership before the offering is based on 56,930,097 shares of our common stock outstanding as of January 31, 2021, after giving effect to the conversion of all outstanding shares of our convertible preferred stock into 47,742,986 shares of our common stock in connection with the closing of this offering.

Applicable percentage ownership after the offering is based on shares of common stock outstanding immediately after the closing of this offering, after giving effect to the conversion of all outstanding shares of our convertible preferred stock into 47,742,986 shares of our common stock in connection with the closing of this offering. In computing the number of shares beneficially owned by a person and the percentage ownership of such person, we deemed to be outstanding all shares subject to options held by the person that are currently exercisable, or exercisable within 60 days of January 31, 2021. However, except as described above, we did not deem such shares outstanding for the purpose of computing the percentage ownership of any other person.

Unless otherwise indicated, the address for each beneficial owner listed in the table below is c/o Reneo Pharmaceuticals, Inc., 12230 El Camino Real, Suite 230, San Diego, California 92130.

NAME OF BENEFICIAL OWNER	NUMBER OF SHARES BENEFICIALLY OWNED	PERCENTAGE OF SHARES BENEFICIALLY OWNED	
		BEFORE OFFERING	AFTER OFFERING
Greater than 5% Holders:			
Entities affiliated with New Enterprise Associates (1)	13,985,181	24.6%	
Entities affiliated with RiverVest Venture Fund III, L.P. (2)	8,030,769	14.1%	
Novo Holdings A/S (3)	6,183,527	10.9%	
Lundbeckfond Invest A/S (4)	6,113,677	10.7%	
Abingworth Bioventures 8 LP (5)	3,710,116	6.5%	
Entities affiliated with Pappas Capital, LLC (6)	2,852,536	5.0%	
Named Executive Officers and Directors:			
Gregory J. Flesher (7)	4,710,389	7.6%	
Niall O'Donnell, Ph.D. (8)	8,554,194	14.9%	
Alejandro Dorenbaum, M.D. (9)	1,039,370	1.8%	
Wendy Johnson (10)	1,152,000	2.0%	
Lon Cardon, Ph.D. (11)	210,000	*	
Michael Grey (12)	6,563,128	11.3%	
Kenneth Harrison, Ph.D.	—	*	
Johan Kördel, Ph.D. (4)	6,113,677	10.7%	
Edward Mathers (1)	13,985,181	24.6%	
Bali Muralidhar, M.D., Ph.D.	—	*	
Stacey D. Seltzer	—	*	
All executive officers, directors and director nominee as a group (13 persons) (13)	43,899,585	65.3%	

* Represents beneficial ownership of less than 1%.

(1) Consists of (i) 9,526,652 shares of common stock issuable upon conversion of the Series A convertible preferred stock held by New Enterprise Associates 15, L.P. (NEA 15) (ii) 6,389 shares of common stock issuable upon conversion of the Series A convertible preferred stock held by NEA Ventures 2017, L. P. (NEA Ventures) and (iii) 4,452,140 shares of common stock issuable upon conversion of the Series B convertible preferred stock held by NEA 15. The shares directly held by NEA 15 are indirectly held by NEA Partners 15, L.P. (NEA Partners 15) the sole general partner of NEA 15, NEA 15 GP, LLC (NEA 15 LLC) the sole general partner of NEA Partners 15 and each of the individual managers of NEA 15 LLC. The individual managers, or collectively, the managers, of NEA 15 LLC are Forest Baskett, Anthony A. Florence, Jr., Mohamad Makhzoumi, Joshua Makower, Scott D. Sandell and Peter Sonsini. The managers share voting and dispositive power with regard to the shares held by NEA 15. Karen P. Welsh, the general partner of NEA Ventures, has sole voting and dispositive power with regard to the shares held by NEA Ventures. Edward Mathers, a member of our board of directors, is employed as a General Partner at New Enterprise Associates, Inc., has no voting or investment power over the shares owned of record by NEA 15 or NEA Ventures, and disclaims beneficial ownership of the shares held by NEA 15 and NEA Ventures. All indirect owners of the above referenced shares, disclaim beneficial ownership of all applicable shares except to the extent of their actual pecuniary interest in such shares. The address of New Enterprise Associates 15, L.P. and its affiliated entity is c/o New Enterprise Associates, 1954 Greenspring Drive, Suite 600, Timonium, Maryland 21093.

(2) Consists of (i) 1,187,000 shares of common stock held by RiverVest Venture Fund III, L.P., (ii) 63,000 shares of common stock held by RiverVest Venture Fund III (Ohio), L.P., (iii) 4,629,630 shares of common stock issuable upon conversion of the Series A convertible preferred stock held by RiverVest Venture Fund IV, L.P., (iv) 281,159 shares of common stock issuable upon conversion of the Series A convertible preferred stock held by RiverVest Venture Fund III, L.P., (v) 14,922 shares of common stock issuable upon conversion of the Series A convertible preferred stock held by RiverVest Venture Fund III (Ohio), L.P. and (vi) 1,855,058 shares of common stock issuable upon conversion of the Series B convertible preferred stock held by RiverVest Venture Fund IV, L.P. The shares held directly by RiverVest Venture Fund III, L.P. are indirectly held by RiverVest Venture Partners III, L.P., its general partner (RiverVest Partners III). The shares held directly by RiverVest Venture Fund III (Ohio), L.P. are indirectly held by RiverVest Venture Partners III (Ohio), LLC, its general partner (RiverVest Partners (Ohio) III). RiverVest Partners III is the sole member of RiverVest Partners (Ohio) III. RiverVest Venture Partners III, LLC is the general partner of RiverVest Partners III. The individual managers of RiverVest Ventures Partners III, LLC are Thomas C. Melzer, Jay Schmelter and John P. McKearn, Ph.D. RiverVest Partners III, RiverVest Partners (Ohio) III, RiverVest Venture Partners III, LLC and each of the individual managers share voting and dispositive power with regard to our securities directly held by RiverVest Venture Fund III, L.P. and RiverVest Venture Fund III (Ohio), L.P. Niall O'Donnell, Ph.D., a member of our board of directors and an affiliate of RiverVest Venture Fund III, L.P. and RiverVest Venture Fund III (Ohio), L.P., has no voting or investment control over any of the shares held by these entities and disclaims beneficial ownership of all shares owned by RiverVest Venture Fund III, L.P. and RiverVest Venture Fund III (Ohio), L.P., except to the extent of any pecuniary interest therein. All indirect holders of the above referenced securities disclaim beneficial ownership of the above referenced securities except to the extent of their pecuniary interests therein. The shares held directly by RiverVest Venture Fund IV, L.P. are indirectly held by RiverVest Venture Partners IV, L.P., its general partner (RiverVest Partners IV). RiverVest Venture Partners IV, LLC is the general partner of RiverVest Partners IV. The individual managers of RiverVest Ventures Partners IV, LLC are Jay Schmelter, John P. McKearn, Ph.D. and Niall O'Donnell, Ph.D., a member of our board of directors. RiverVest Partners IV, RiverVest Venture Partners IV, LLC and each of the individual managers share voting and dispositive power with regard to our securities directly held by RiverVest Venture Fund IV, L.P. All indirect holders of the above referenced securities disclaim beneficial ownership of the above referenced securities except to the extent of their pecuniary interests therein. The address of RiverVest Venture Fund III and its affiliated entities is 101 South Hanley Road, Suite 1850, St. Louis, Missouri 63105.

(3) Consists of 6,183,527 shares of common stock issuable upon conversion of the Series B convertible preferred stock held by Novo Holdings A/S (Novo). The board of directors of Novo has shared voting and investment power with respect to the shares held by Novo and may exercise such control only with the support of a majority of the members of the Novo board of directors. As such, no individual member of the Novo board of directors is deemed to hold any beneficial ownership or reportable pecuniary interest in the shares held by Novo. Kenneth Harrison, Ph.D., a member of our board of directors, is employed as a partner at Novo Ventures (US) Inc., which provides certain consultancy services to Novo, and Dr. Harrison is not deemed to have beneficial ownership of the shares held by Novo. The address of Novo Holdings A/S is Tuborg Havnevej 19, DK-2900 Hellerup, Denmark.

(4) Consists of (i) 4,629,630 shares of common stock issuable upon conversion of the Series A convertible preferred stock held by Lundbeckfond Invest A/S and (ii) 1,484,047 shares of common stock issuable upon conversion of the Series B convertible preferred stock held by Lundbeckfond Invest A/S. Johan Kördel, Ph.D., a member of our board of directors, shares voting and investment power with respect to the shares held by Lundbeckfond Invest A/S. Dr. Kördel disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein. The address of Lundbeckfond Invest A/S is Scherfigsvej 7 DK-2100, Copenhagen Ø, Denmark.

(5) Consists of 3,710,116 shares of common stock issuable upon conversion of the Series B convertible preferred stock held by Abingworth Bioventures 8 LP (ABV 8). Abingworth Bioventures 8 GP LP, a Scottish limited partnership, serves as the general partner of ABV 8. Abingworth General Partner 8 LLP, an English limited liability partnership, serves as the general partner of Abingworth Bioventures 8 GP LP. ABV 8 (acting by its general partner Abingworth Bioventures 8 GP LP, acting by its general partner Abingworth General Partner 8 LLP) has delegated to Abingworth LLP (Abingworth) all investment and dispositive power over the securities held by ABV 8. An investment committee of Abingworth, or the investment committee, comprised of Timothy Haines, Kurt von Emster, Genghis Lloyd-Harris, Brian Gallagher, Andrew Sinclair and Bali Muralidhar, a member of our board of directors, approves investment and voting decisions by a defined majority vote, and no individual member has the sole control or voting power over the securities held by ABV 8. Each of Abingworth, Abingworth Bioventures 8 GP LP, Abingworth General Partner 8 LLP, and each member of the investment committee disclaims beneficial ownership of the shares of our Series B convertible preferred stock held by ABV 8. The address of Abingworth Bioventures 8 LP is 38 Jermyn Street, London SW1Y 6DN, United Kingdom.

(6) Consists of (i) 231,254 shares of common stock held by A. M. Pappas Life Science Ventures V, LP (Pappas Ventures V), (ii) 18,746 shares of common stock held by PV V CEO Fund, LP (PV V and together with Pappas Ventures V, the Pappas Funds), (iii) 1,858,277 shares of common stock issuable upon conversion of the Series A convertible preferred stock held by Pappas Ventures V, (iv) 150,640 shares of common stock issuable upon conversion of the Series A convertible preferred stock held by PV V, (v) 549,106 shares of common stock issuable upon conversion of the Series B convertible preferred stock held by Pappas Ventures V and (vi) 44,513 shares of common stock issuable upon conversion of the Series B convertible preferred stock held by PV V. AMP&A Management V, LLC (Management V) is the general partner of each of the Pappas Funds and has a management agreement with Pappas Capital, LLC (Pappas Capital) whereby Pappas Capital provides management services for the Pappas Funds. As a result, Pappas Capital's investment committee exercises sole dispositive and voting power over the securities owned by the Pappas Funds. Arthur Pappas is the sole managing member of Pappas Capital. By virtue of these relationships, Management V, Pappas Capital, and Mr. Pappas may be deemed to beneficially own the securities owned directly by the Pappas Funds. Each of Management V, Pappas Capital, and Mr. Pappas disclaims beneficial ownership of such securities except to the extent of its or his respective pecuniary interest therein. The address of each of the foregoing is 2520 Meridian Parkway, Suite 400, Durham, NC 27713. Mr. Grey, our Executive Chairman, is a venture partner at Pappas Capital.

(7) Consists of 4,710,389 shares of common stock subject to options held by Mr. Flesher that are exercisable within 60 days of January 31, 2021.

(8) Consists of the shares described in note 2 above and 523,425 shares of common stock subject to options held by Dr. O'Donnell that are exercisable within 60 days of January 31, 2021.

(9) Consists of 1,039,370 shares of common stock subject to options held by Dr. Dorenbaum that are exercisable within 60 days of January 31, 2021.

(10) Consists of 1,152,000 shares of common stock subject to options held by Ms. Johnson that are exercisable within 60 days of January 31, 2021.

(11) Consists of 210,000 shares of common stock subject to options held by Dr. Cardon that are exercisable within 60 days of January 31, 2021.

(12) Consists of the shares described in note 6 above and (i) 1,900,000 shares of common stock held by The Grey Family Trust dated November 12, 1999 (the Grey 1999 Trust) (ii) 600,000 shares of common stock held by Michael George Grey and Rondi Rauch Grey, Co-Trustees of The Grey 2014 Irrevocable Children's Trust u/a/d 12/17/14 (the Grey 2014 Trust) (iii) 90,222 shares of common stock issuable upon conversion of the Series A convertible preferred stock held by the Grey 1999 Trust and (iv) 1,120,370 shares of common stock subject to options held by Michael Grey that are exercisable within 60 days of January 31, 2021. Mr. Grey, a member of our board of directors, is trustee of each of the Grey 1999 Trust and Grey 2014 Trust, and in such capacity has the power to vote and dispose of such shares held by the Grey 1999 Trust and Grey 2014 Trust.

(13) Consists of the shares described in notes 1, 4 and 7 through 12 above and (i) 1,026,865 shares of common stock subject to options held by Michael Cruse that are exercisable within 60 days of January 31, 2021 and (ii) 544,781 shares of common stock subject to options held by Deborah Tower that are exercisable within 60 days of January 31, 2021.

DESCRIPTION OF CAPITAL STOCK

General

The following description of our capital stock and certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws are summaries and are qualified by reference to the amended and restated certificate of incorporation and the amended and restated bylaws, each of which will become effective upon the closing of this offering. Copies of these documents have been filed with the SEC as exhibits to our registration statement, of which this prospectus forms a part. The descriptions of the common stock and preferred stock reflect changes to our capital structure that will be in effect on the closing of this offering.

Upon filing of our amended and restated certificate of incorporation and the closing of this offering, our authorized capital stock will consist of shares of common stock, par value $0.0001 per share, and shares of preferred stock, par value $0.0001 per share. All of our authorized shares of preferred stock will be undesignated.

As of December 31, 2020, after giving effect to conversion of all outstanding shares of our convertible preferred stock into 47,742,986 shares of our common stock in connection with the closing of this offering, there were 56,930,097 shares of common stock outstanding and held of record by 33 stockholders.

Common Stock

Voting Rights

The common stock is entitled to one vote per share on any matter that is submitted to a vote of our stockholders. Our amended and restated certificate of incorporation does not provide for cumulative voting for the election of directors. Our amended and restated certificate of incorporation establishes a classified board of directors that is divided into three classes with staggered three-year terms. Only the directors in one class will be subject to election by a plurality of the votes cast at each annual meeting of our stockholders, with the directors in the other classes continuing for the remainder of their respective three-year terms.

Economic Rights

Except as otherwise expressly provided in our amended and restated certificate of incorporation or required by applicable law, all shares of common stock will have the same rights and privileges and rank equally, share ratably, and be identical in all respects for all matters, including those described below.

Dividends. Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of our common stock are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to issue dividends and then only at the times and in the amounts that our board of directors may determine. See the section titled “Dividend Policy” for further information.

Liquidation Rights. On our liquidation, dissolution, or winding-up, the holders of common stock will be entitled to share equally, identically, and ratably in all assets remaining after the payment of any liabilities, liquidation preferences and accrued or declared but unpaid dividends, if any, with respect to any outstanding preferred stock, unless a different treatment is approved by the affirmative vote of the holders of a majority of the outstanding shares of such affected class, voting separately as a class.

No Preemptive or Similar Rights

The holders of our shares of common stock are not entitled to preemptive rights, and are not subject to conversion, redemption or sinking fund provisions.

Fully Paid and Non-Assessable

All of our outstanding shares of common stock are, and the shares of common stock to be issued in this offering will be, fully paid and nonassessable.

Preferred Stock

As of December 31, 2020, there were 24,302,472 shares of our Series A convertible preferred stock outstanding, held of record by 16 holders, and 23,440,514 shares of our Series B convertible preferred stock outstanding, held of record by 15 holders. In connection with the closing of this offering, each outstanding share of our convertible preferred stock will convert into one share of our common stock. In addition, in connection with the closing of this offering, our certificate of incorporation will be amended and restated to delete all references to such shares of convertible preferred stock. Under the amended and restated certificate of incorporation, our board of directors will have the authority, without further action by the stockholders, to issue up to shares of preferred stock in one or more series, to establish from time to time the number of shares to be included in each such series, to fix the rights, preferences and privileges of the shares of each wholly unissued series and any qualifications, limitations or restrictions thereon and to increase or decrease the number of shares of any such series, but not below the number of shares of such series then outstanding.

Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of the common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in our control that may otherwise benefit holders of our common stock and may adversely affect the market price of the common stock and the voting and other rights of the holders of common stock. We have no current plans to issue any shares of preferred stock.

Options

As of December 31, 2020, options to purchase an aggregate of 4,186,157 shares of our common stock, with a weighted-average exercise price of $0.57 per share, were outstanding. In addition, an aggregate of 8,784,754 shares of our common stock are issuable upon the exercise of outstanding stock options granted subsequent to December 31, 2020, with a weighted-average exercise price of $1.09 per share. For additional information regarding terms of our equity incentive plans, see the section titled “Executive Compensation—Employee Benefit Plans.”

Registration Rights

We are party to the Rights Agreement, which provides, in relevant part, that certain holders of our capital stock, including certain holders of at least 5% of our capital stock and entities affiliated with certain of our directors, shall have certain registration rights, as set forth below. The registration of shares of our common stock by the exercise of registration rights described below would enable the holders to sell these shares without restriction under the Securities Act when the applicable registration statement is declared effective. We are obligated to pay the registration expenses, other than underwriting discounts and commissions, of the shares registered by the demand, piggyback and Form S-3 registrations described below.

Generally, in an underwritten offering, the managing underwriter, if any, has the right, subject to specified conditions, to limit the number of shares such holders may include. The demand, piggyback and Form S-3 registration rights described below with respect to any holder will expire upon the earliest to occur of: (i) any time following the initial public offering when the holder holds less than 1% of our outstanding securities and all of such holder’s registrable securities may be sold without any restriction on volume or manner of sale in any three-month period under Rule 144 or any successor; and (b) the fifth anniversary of the initial public offering.

Demand Registration Rights

After this offering, the holders of an aggregate of 51,822,457 shares of our common stock will be entitled to certain demand registration rights. With certain exceptions, at any time beginning 180 days after the effective date of the registration statement, of which this prospectus is a part, the holders of a majority of these shares may request that we register all or a portion of their shares. In connection with a request for demand registration, we are not required to effect more than two registration statements which are declared or ordered effective. Such request for registration must cover shares with an anticipated aggregate offering price, net of underwriter discounts and commissions and certain fees, of at least $10.0 million.

Piggyback Registration Rights

In connection with this offering, the holders of an aggregate of 51,822,457 shares of our common stock were entitled to, and the necessary percentage of holders waived, their rights to notice of this offering and to include their shares of registrable securities in this offering. After this offering, in the event that we propose to register any of our securities under the Securities Act, either for our own account or for the account of other security holders, the holders of these shares will be entitled to certain piggyback registration rights allowing the holder to include their shares in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act, other than with respect to a demand registration or a registration (i) relating to the sale of securities to employees of us or our subsidiaries pursuant an equity incentive, stock option, stock purchase, or similar plan, (ii) relating to an SEC Rule 145 transaction, (iii) on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of registrable securities, or (iv) in which the only common stock being registered is common stock issuable upon conversion of debt securities that are also being registered, the holders of these shares are entitled to notice of the registration and have the right to include their shares in the registration, subject to limitations that the underwriters may impose on the number of shares included in the offering.

Form S-3 Registration Rights

After this offering, the holders of an aggregate of 51,822,457 shares of our common stock will be entitled to certain Form S-3 registration rights. Any holder of these shares can make a request that we register their shares on Form S-3 if we are qualified to file a registration statement on Form S-3 and if the reasonably anticipated aggregate net proceeds of the shares offered would equal or exceed $1.0 million. We will not be required to effect more than two registrations on Form S-3 within any 12-month period.

Indemnification

The Rights Agreement contains customary cross indemnification provisions, under which we are obligated to indemnify holders of registrable securities in the event of material misstatements or omissions in a registration statement attributable to us, and they are obligated to indemnify us for material misstatements or omissions attributable to them.

Expenses

Generally, other than underwriting discounts and commissions, we will be required to pay all expenses incurred by us related to any registration effected pursuant to the exercise of these registration rights. These expenses may include all registration and filing fees, printing and accounting fees, fees and disbursements of our counsel, reasonable fees and disbursements of a counsel for the selling securityholders not to exceed $50,000.

Anti-Takeover Provisions

The provisions of Delaware law, our amended and restated certificate of incorporation and our amended and restated bylaws, which are summarized below, may have the effect of delaying, deferring or discouraging another person from acquiring control of our company. They are also designed, in part, to encourage persons seeking to acquire control of us to negotiate first with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms.

Certificate of Incorporation and Bylaws to be in Effect on the Closing of this Offering

Because our stockholders do not have cumulative voting rights, stockholders holding a majority of the voting power of our shares of common stock will be able to elect all of our directors. Our amended and restated certificate of incorporation and amended and restated bylaws to be effective on the closing of this offering will provide for stockholder actions at a duly called meeting of stockholders. A special meeting of stockholders may be called by a majority of our board of directors, the chair of our board of directors, or our chief executive officer or president. Our amended and restated certificate of incorporation will also eliminate the right of stockholders to act by written consent without a meeting. Our amended and restated bylaws will establish an advance notice procedure for stockholder proposals to be brought before an annual meeting of our stockholders, including proposed nominations of persons for election to our board of directors.

As described above in “Management—Composition of Our Board of Directors,” in accordance with our amended and restated certificate of incorporation to be filed in connection with this offering, immediately after this offering, our board of directors will be divided into three classes with staggered three-year terms.

The foregoing provisions will make it more difficult for another party to obtain control of us by replacing our board of directors. Since our board of directors has the power to retain and discharge our officers, these provisions could also make it more difficult for existing stockholders or another party to effect a change in management. In addition, the authorization of undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to change our control.

These provisions are designed to reduce our vulnerability to an unsolicited acquisition proposal and to discourage certain tactics that may be used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and may have the effect of deterring hostile takeovers or delaying changes in our control or management. As a consequence, these provisions may also inhibit fluctuations in the market price of our stock that could result from actual or rumored takeover attempts.

Section 203 of the Delaware General Corporation Law

We will be subject to Section 203 of the Delaware General Corporation Law, which prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years after the date that such stockholder became an interested stockholder, subject to certain exceptions.

Choice of Forum

Our amended and restated certificate of incorporation and amended and restated bylaws provide that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (i) any derivative action or proceeding brought on our behalf; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers or other employees to us or our stockholders; (iii) any action or proceeding asserting a claim against us or any of our current or former directors, officers or other employees, arising out of or pursuant to any provision of the Delaware General Corporation Law, our certificate of incorporation or our bylaws; (iv) any action or proceeding to interpret, apply, enforce or determine the validity of our certificate of incorporation or our bylaws; (v) any action or proceeding as to which the Delaware General Corporation Law confers jurisdiction to the Court of Chancery of the State of Delaware; and (vi) any action asserting a claim against us or any of our directors, officers or other employees governed by the internal affairs doctrine, in all cases to the fullest extent permitted by law and subject to the court’s having personal jurisdiction over the indispensable parties named as defendants; provided these provisions of our amended and restated certificate of incorporation and amended and restated bylaws will apply to suits brought to enforce a duty or liability created by the Securities Act of 1933, as amended, but stockholders will not be deemed to have waived our compliance with the federal securities laws and the regulations thereunder; and provided these provisions of our amended and restated certificate of incorporation and amended and restated bylaws will 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.

Further, our amended and restated certificate of incorporation and amended and restated bylaws provide that unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the federal district courts of the United States will be the exclusive forum for resolution of any complaint asserting a cause of action arising under the Securities Act.

While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions, and there can be no assurance that such provisions will be enforced by a court in those other jurisdictions. We note that investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder.

Limitations on Liability and Indemnification

See “Executive Compensation—Limitations on Liability and Indemnification.”

Exchange Listing

Our common stock is currently not listed on any securities exchange. We have applied to list our common stock on the Nasdaq Global Market under the symbol “RPHM.”

Transfer Agent and Registrar

Upon the closing of this offering, the transfer agent and registrar for our common stock will be . The transfer agent and registrar’s address is .

SHARES ELIGIBLE FOR FUTURE SALE

Before the closing of this offering, there has been no public market for our common stock. Future sales of substantial amounts of our common stock, including shares issued upon the exercise of outstanding options, in the public market after this offering, or the possibility of these sales or issuances occurring, could adversely affect the prevailing market price for our common stock or impair our ability to raise equity capital.

Based on our shares outstanding as of December 31, 2020, upon the closing of this offering, a total of shares of common stock will be outstanding, assuming the conversion of all outstanding shares of our convertible preferred stock into 47,742,986 shares of our common stock in connection with the closing of this offering. Of these shares, all of the common stock sold in this offering by us, plus any shares sold by us upon exercise of the underwriters' option to purchase additional common stock, will be freely tradable in the public market without restriction or further registration under the Securities Act, unless these shares are held by "affiliates," as that term is defined in Rule 144 under the Securities Act.

The remaining shares of common stock will be, and shares of common stock subject to stock options will be on issuance, "restricted securities," as that term is defined in Rule 144 under the Securities Act. These restricted securities are eligible for public sale only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rules 144 or 701 under the Securities Act, which are summarized below. Restricted securities may also be sold outside of the United States to non-U.S. persons in accordance with Rule 904 of Regulation S.

Subject to the lock-up agreements described below and the provisions of Rule 144 or Regulation S under the Securities Act, as well as our insider trading policy, these restricted securities will be available for sale in the public market after the date of this prospectus.

Rule 144

In general, under Rule 144 as currently in effect, once we have been subject to public company reporting requirements of Section 13 or Section 15(d) of the Exchange Act for at least 90 days, an eligible stockholder is entitled to sell such shares without complying with the manner of sale, volume limitation or notice provisions of Rule 144, subject to compliance with the public information requirements of Rule 144. To be an eligible stockholder under Rule 144, such stockholder must not be deemed to have been one of our affiliates for purposes of the Securities Act at any time during the 90 days preceding a sale and must have beneficially owned the shares proposed to be sold for at least six months, including the holding period of any prior owner other than our affiliates. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than our affiliates, then such person is entitled to sell such shares without complying with any of the requirements of Rule 144, subject to the expiration of the lock-up agreements described below.

In general, under Rule 144, as currently in effect, our affiliates or persons selling shares on behalf of our affiliates, who have beneficially owned the shares proposed to be sold for at least six months, are entitled to sell shares on expiration of the lock-up agreements described below. Beginning 90 days after the date of this prospectus, within any three-month period, such stockholders may sell a number of shares that does not exceed the greater of:

- 1% of the number of shares of common stock then outstanding, which will equal approximately shares immediately after this offering, assuming no exercise of the underwriters' option to purchase additional shares of common stock from us; or
- the average weekly trading volume of our common stock on the Nasdaq Global Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Sales under Rule 144 by our affiliates or persons selling shares on behalf of our affiliates are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us.

Rule 701

Rule 701 generally allows a stockholder who was issued shares under a written compensatory plan or contract and who is not deemed to have been an affiliate of our company during the immediately preceding 90 days, to sell these shares in reliance on Rule 144, but without being required to comply with the public information, holding period, volume limitation, or notice provisions of Rule 144. Rule 701 also permits affiliates of our company to sell their Rule 701 shares under Rule 144 without complying with the holding period requirements of Rule 144. All holders of Rule 701 shares, however, are required by that rule to wait until 90 days after the date of this prospectus before selling those shares under Rule 701, subject to the expiration of the lock-up agreements described below.

Form S-8 Registration Statements

We intend to file one or more registration statements on Form S-8 under the Securities Act with the SEC to register the offer and sale of shares of our common stock that are issuable under our 2014 Plan, 2021 Plan and ESPP. These registration statements will become effective immediately on filing. Shares covered by these registration statements will then be eligible for sale in the public markets, subject to vesting restrictions, any applicable lock-up agreements described below, and Rule 144 limitations applicable to affiliates.

Lock-Up Arrangements

We, and all of our directors, executive officers and the holders of substantially all of our common stock and securities exercisable for or convertible into our common stock outstanding immediately upon the closing of this offering, have agreed with the underwriters that, until 180 days after the date of the underwriting agreement related to this offering, we and they will not, without the prior written consent of Jefferies LLC, SVB Leerink LLC and Piper Sandler & Co., directly or indirectly, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer or dispose of any of our shares of common stock, or any securities convertible into or exercisable or exchangeable for shares of our common stock, or enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the securities, whether any such swap or transaction is to be settled by delivery of our common stock or other securities, in cash or otherwise. These agreements are described in “Underwriting—No Sale of Similar Securities.” Jefferies LLC, SVB Leerink LLC, and Piper Sandler & Co. may, in their sole discretion, release any of the securities subject to these lock-up agreements at any time.

Registration Rights

Upon the closing of this offering, pursuant to our amended and restated investors’ rights agreement, the holders of 51,822,457 shares of our common stock, or their transferees, will be entitled to certain rights with respect to the registration of the offer and sale of their shares under the Securities Act, subject to the terms of the lock-up agreements described under “—Lock-Up Arrangements” above. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act immediately upon the effectiveness of the registration. Substantial sales of securities by these stockholders could have a material adverse effect on the trading price of our common stock. See “Description of Capital Stock—Registration Rights” for additional information.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following is a summary of the material U.S. federal income tax consequences to non-U.S. holders (as defined below) of the purchase, ownership and disposition of our common stock issued pursuant to this offering. This discussion is not a complete analysis of all potential U.S. federal income tax consequences relating thereto, and does not address any estate or gift tax consequences or any tax consequences arising under any state, local or foreign tax laws, or any other U.S. federal tax laws. This discussion is based on the Internal Revenue Code of 1986, as amended (the Code) Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the Internal Revenue Service (the IRS) all as in effect on the date of this prospectus. These authorities are subject to differing interpretations and may change, possibly retroactively, resulting in U.S. federal income tax consequences different from those discussed below. We have not requested a ruling from the IRS with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

This discussion is limited to non-U.S. holders who purchase our common stock pursuant to this offering and who hold our common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all of the U.S. federal income tax consequences that may be relevant to an individual holder in light of such holder's particular circumstances, including the impact of the Medicare contribution tax on net investment income and the alternative minimum tax . This discussion also does not consider any specific facts or circumstances that may be relevant to holders subject to special rules under the U.S. federal income tax laws, including:

- certain former citizens or long-term residents of the United States;
- partnerships or other pass-through entities (and investors therein);
- "controlled foreign corporations";
- "passive foreign investment companies";
- corporations that accumulate earnings to avoid federal income tax;
- banks, financial institutions, investment funds, insurance companies, brokers, dealers, or traders in securities;
- tax-exempt organizations and governmental organizations;
- tax-qualified retirement plans;
- persons subject to special tax accounting rules under Section 451(b) of the Code;
- persons that own or have owned, actually or constructively, more than 5% of our common stock;
- persons who have elected to mark securities to market; and
- persons holding our common stock as part of a hedging or conversion transaction or straddle, or a constructive sale, or other risk reduction strategy or integrated investment.

If an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes holds our common stock, the U.S. federal income tax treatment of a partner in the partnership will generally depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Partnerships holding our common stock and the partners in such partnerships are urged to consult their tax advisors about the particular U.S. federal income tax consequences to them of holding and disposing of our common stock.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF OUR COMMON STOCK, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL OR FOREIGN TAX LAWS AND ANY OTHER U.S. FEDERAL TAX LAWS.

Definition of Non-U.S. Holder

For purposes of this discussion, a non-U.S. holder is any beneficial owner of our common stock that is not a "U.S. person" or a partnership (including any entity or arrangement treated as a partnership) for U.S. federal income tax purposes. A U.S. person is any person that, for U.S. federal income tax purposes, is or is treated as any of the following:

- an individual who is a citizen of the United States;
- a corporation created or organized under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust (1) whose administration is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust or (2) that has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

Distributions on Our Common Stock

As described under "Dividend Policy," we do not anticipate declaring or paying, in the foreseeable future, any cash dividends on our capital stock. However, if we do distribute cash or other property on our common stock, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and will first be applied against and reduce a holder's tax basis in our common stock, but not below zero. Any excess will be treated as gain realized on the sale or other disposition of our common stock and will be treated as described under "—Gain on Disposition of Our Common Stock" below.

Subject to the discussions below regarding effectively connected income, backup withholding and FATCA (as defined below), dividends paid to a non-U.S. holder of our common stock generally will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends or such lower rate specified by an applicable income tax treaty. To receive the benefit of a reduced treaty rate, a non-U.S. holder must furnish us or our withholding agent with a valid IRS Form W-8BEN or IRS Form W-8BEN-E (or applicable successor form) certifying such holder's qualification for the reduced rate. This certification must be provided to us or our withholding agent before the payment of dividends and must be updated periodically. If the non-U.S. holder holds our common stock through a financial institution or other agent acting on the non-U.S. holder's behalf, the non-U.S. holder will be required to provide appropriate documentation to the agent, which then will be required to provide certification to us or our withholding agent, either directly or through other intermediaries.

If a non-U.S. holder holds our common stock in connection with the conduct of a trade or business in the United States, and dividends paid on our common stock are effectively connected with such holder's U.S. trade or business (and are attributable to such holder's permanent establishment or fixed base in the United States if required by an applicable tax treaty), the non-U.S. holder will be exempt from U.S. federal withholding tax. To claim the exemption, the non-U.S. holder must generally furnish a valid IRS Form W-8ECI (or applicable successor form) to the applicable withholding agent.

However, any such effectively connected dividends paid on our common stock generally will be subject to U.S. federal income tax on a net income basis at the regular U.S. federal income tax rates in the same manner as if such holder were a resident of the United States. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items.

Non-U.S. holders that do not provide the required certification on a timely basis, but that qualify for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

Gain on Disposition of Our Common Stock

Subject to the discussions below regarding backup withholding and FATCA, a non-U.S. holder generally will not be subject to U.S. federal income tax on any gain realized on the sale or other disposition of our common stock, unless:

- the gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States and, if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base maintained by the non-U.S. holder in the United States;
- the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition, and certain other requirements are met; or
- our common stock constitutes a "United States real property interest" by reason of our status as a United States real property holding corporation (a USRPHC) for U.S. federal income tax purposes at any time within the shorter of the five-year period preceding the disposition or the non-U.S. holder's holding period for our common stock, and our common stock is not considered regularly traded on an established securities market at the time of the sale or other disposition.

Determining whether we are a USRPHC depends on the fair market value of our U.S. real property interests relative to the fair market value of our other trade or business assets and our foreign real property interests. We believe that we are not currently, and we do not anticipate becoming a USRPHC for U.S. federal income tax purposes, although there can be no assurance we will not in the future become a USRPHC.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular U.S. federal income tax rates in the same manner as if such holder were a resident of the United States. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items. Gain described in the second bullet point above will be subject to U.S. federal income tax at a flat 30% rate (or such lower rate specified by an applicable income tax treaty), but may be offset by certain U.S.-source capital losses (even though the individual is not considered a resident of the United States), provided that the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses. Gain described in the third bullet point above will generally be subject to U.S. federal income tax in the same manner as gain that is effectively connected with the conduct of a U.S. trade or business, except that the branch profits tax generally will not apply.

Non-U.S. holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Annual reports are required to be filed with the IRS and provided to each non-U.S. holder indicating the amount of distributions on our common stock paid to such holder and the amount of any tax withheld with respect to those distributions. These information reporting requirements apply even if no withholding was required because the distributions were effectively connected with the holder's conduct of a U.S. trade or business, or withholding was reduced or eliminated by an applicable income tax treaty. This information also may be made available under a specific treaty or agreement with the tax authorities in the country in which the non-U.S. holder resides or is established. Backup withholding, currently at a 24% rate, generally will not apply to payments to a non-U.S. holder of dividends on or the gross proceeds of a disposition of our common stock provided the non-U.S. holder furnishes the required certification for its non-U.S. status, such as by providing a valid IRS Form W-8BEN, IRS Form W-8BEN-E or IRS Form W-8ECI, or certain other requirements are met, and if the payor does not have actual knowledge, or reason to know, that the holder is a U.S. person.

Backup withholding is not an additional tax. If any amount is withheld under the backup withholding rules, the non-U.S. holder should consult with a U.S. tax advisor regarding the possibility of and procedure for obtaining a refund or a credit against the non-U.S. holder's U.S. federal income tax liability, if any.

Withholding on Foreign Entities

Sections 1471 through 1474 of the Code, which are commonly referred to as FATCA, impose a U.S. federal withholding tax of 30% on certain payments made to a "foreign financial institution" (as specially defined under these rules) unless such institution enters into an agreement with the U.S. government to withhold on certain payments and to collect and provide to the U.S. tax authorities certain information regarding certain U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners) or an exemption applies. FATCA also generally will impose a U.S. federal withholding tax of 30% on certain payments made to a non-financial foreign entity unless such entity provides the withholding agent a certification identifying certain direct and indirect U.S. owners of the entity or an exemption applies. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Under certain circumstances, a non-U.S. holder might be eligible for refunds or credits of such taxes. FATCA currently applies to dividends paid on our common stock and would have applied also to payments of gross proceeds from the sale or other disposition of our common stock. The U.S. Treasury Department has released proposed regulations under FATCA providing for the elimination of the federal withholding tax of 30% applicable to gross proceeds of a sale or other disposition of our common stock. Under these proposed Treasury Regulations (which may be relied upon by taxpayers prior to finalization), FATCA will not apply to gross proceeds from sales or other dispositions of our common stock.

Prospective investors are encouraged to consult with their own tax advisors regarding the possible implications of FATCA on their investment in our common stock.

UNDERWRITING

Subject to the terms and conditions set forth in the underwriting agreement, dated , 2021 among us and Jefferies LLC, SVB Leerink LLC and Piper Sandler & Co., as the representatives of the underwriters named below and the joint book-running managers of this offering, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the respective number of shares of common stock shown opposite its name below:

UNDERWRITER	NUMBER OF SHARES
Jefferies LLC	
SVB Leerink LLC	
Piper Sandler & Co.	
Total	

The underwriting agreement provides that the obligations of the several underwriters are subject to certain conditions precedent such as the receipt by the underwriters of officers' certificates and legal opinions and approval of certain legal matters by their counsel. The underwriting agreement provides that the underwriters will purchase all of the shares of common stock if any of them are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated. We have agreed to indemnify the underwriters and certain of their controlling persons against certain liabilities, including liabilities under the Securities Act, and to contribute to payments that the underwriters may be required to make in respect of those liabilities.

The underwriters have advised us that, following the completion of this offering, they currently intend to make a market in the common stock as permitted by applicable laws and regulations. However, the underwriters are not obligated to do so, and the underwriters may discontinue any market-making activities at any time without notice in their sole discretion. Accordingly, no assurance can be given as to the liquidity of the trading market for the common stock, that you will be able to sell any of the common stock held by you at a particular time or that the prices that you receive when you sell will be favorable.

The underwriters are offering the shares of common stock subject to their acceptance of the shares of common stock from us and subject to prior sale. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part. In addition, the underwriters have advised us that they do not intend to confirm sales to any account over which they exercise discretionary authority.

Commission and Expenses

The underwriters have advised us that they propose to offer the shares of common stock to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers, which may include the underwriters, at that price less a concession not in excess of $ per share of common stock. The underwriters may allow, and certain dealers may reallow, a discount from the concession not in excess of $ per share of common stock to certain brokers and dealers. After the offering, the initial public offering price, concession and reallowance to dealers may be reduced by the representatives. No such reduction will change the amount of proceeds to be received by us as set forth on the cover page of this prospectus.

The following table shows the public offering price, the underwriting discounts and commissions that we are to pay the underwriters and the proceeds, before expenses, to us in connection with this offering. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	PER SHARE		TOTAL	
	WITHOUT OPTION TO PURCHASE ADDITIONAL SHARES	WITH OPTION TO PURCHASE ADDITIONAL SHARES	WITHOUT OPTION TO PURCHASE ADDITIONAL SHARES	WITH OPTION TO PURCHASE ADDITIONAL SHARES
Public offering price	$	$	$	$
Underwriting discounts and commissions paid by us	$	$	$	$
Proceeds to us, before expenses	$	$	$	$

We estimate expenses payable by us in connection with this offering, other than the underwriting discounts and commissions referred to above, will be approximately $. We have also agreed to reimburse the underwriters for certain expenses incurred in connection with this offering in an amount up to $.

Determination of Offering Price

Prior to this offering, there has not been a public market for our common stock. Consequently, the initial public offering price for our common stock will be determined by negotiations between us and the representatives. Among the factors to be considered in these negotiations will be prevailing market conditions, our financial information, market valuations of other companies that we and the underwriters believe to be comparable to us, estimates of our business potential, the present state of our development and other factors deemed relevant.

We offer no assurances that the initial public offering price will correspond to the price at which the common stock will trade in the public market subsequent to the offering or that an active trading market for the common stock will develop and continue after the offering.

Listing

We intend to apply to have our common stock listed on the Nasdaq Global Market under the symbol "RPHM."

Stamp Taxes

If you purchase shares of common stock offered in this prospectus, you may be required to pay stamp taxes and other charges under the laws and practices of the country of purchase, in addition to the offering price listed on the cover page of this prospectus.

Option to Purchase Additional Shares

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase, from time to time, in whole or in part, up to an aggregate of shares from us at the public offering price set forth on the cover page of this prospectus, less underwriting discounts and commissions. If the underwriters exercise this option, each underwriter will be obligated, subject to specified conditions, to purchase a number of additional shares proportionate to that underwriter's initial purchase commitment as indicated in the table above. This option may be exercised only if the underwriters sell more shares than the total number set forth on the cover page of this prospectus.

No Sales of Similar Securities

We, our officers, directors and holders of substantially all of our outstanding capital stock and other securities have agreed, subject to specified exceptions, not to directly or indirectly:

- sell, offer, contract or grant any option to sell (including any short sale), pledge, transfer, establish an open "put equivalent position" within the meaning of Rule 16a-l(h) under the Exchange Act;
- otherwise dispose of any shares of common stock, options or warrants to acquire shares of common stock, or securities exchangeable or exercisable for or convertible into shares of common stock currently or hereafter owned either of record or beneficially; or

- publicly announce an intention to do any of the foregoing for a period of 180 days after the date of this prospectus without the prior written consent of Jefferies LLC, SVB Leerink LLC and Piper Sandler & Co.

This restriction terminates after the close of trading of the common stock on and including the 180th day after the date of this prospectus.

Jefferies LLC, SVB Leerink LLC and Piper Sandler & Co. may, in their sole discretion and at any time or from time to time before the termination of the 180-day period, release all or any portion of the securities subject to the lock-up agreements. There are no existing agreements between the underwriters and any of our stockholders who will execute a lock-up agreement, providing consent to the sale of shares prior to the expiration of the lock-up period.

Stabilization

The underwriters have advised us that they, pursuant to Regulation M under the Exchange Act, and certain persons participating in the offering may engage in short sale transactions, stabilizing transactions, syndicate covering transactions or the imposition of penalty bids in connection with this offering. These activities may have the effect of stabilizing or maintaining the market price of the common stock at a level above that which might otherwise prevail in the open market. Establishing short sales positions may involve either “covered” short sales or “naked” short sales.

“Covered” short sales are sales made in an amount not greater than the underwriters’ option to purchase additional shares of our common stock in this offering. The underwriters may close out any covered short position by either exercising their option to purchase additional shares of our common stock or purchasing shares of our common stock in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option to purchase additional shares.

“Naked” short sales are sales in excess of the option to purchase additional shares of our common stock. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the shares of our common stock in the open market after pricing that could adversely affect investors who purchase in this offering.

A stabilizing bid is a bid for the purchase of shares of common stock on behalf of the underwriters for the purpose of fixing or maintaining the price of the common stock. A syndicate covering transaction is the bid for or the purchase of shares of common stock on behalf of the underwriters to reduce a short position incurred by the underwriters in connection with the offering. Similar to other purchase transactions, the underwriter’s purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. A penalty bid is an arrangement permitting the underwriters to reclaim the selling concession otherwise accruing to a syndicate member in connection with the offering if the common stock originally sold by such syndicate member are purchased in a syndicate covering transaction and therefore have not been effectively placed by such syndicate member.

Neither we, nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. The underwriters are not obligated to engage in these activities and, if commenced, any of the activities may be discontinued at any time.

The underwriters may also engage in passive market making transactions in our common stock on the Nasdaq Global Market in accordance with Rule 103 of Regulation M during a period before the commencement of offers or sales of shares of our common stock in this offering and extending through the completion of distribution. A passive market maker must display its bid at a price not in excess of the highest independent bid of that security. However, if all independent bids are lowered below the passive market maker’s bid, that bid must then be lowered when specified purchase limits are exceeded.

Electronic Distribution

A prospectus in electronic format may be made available by e-mail or through online services maintained by one or more of the underwriters or their affiliates. In those cases, prospective investors may view offering terms online and may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of shares of common stock for sale to online brokerage account holders. Any such allocation for online distributions will be made by the underwriters on the same basis as other allocations. Other than the prospectus in electronic format, the information on the underwriters' web sites and any information contained in any other web site maintained by any of the underwriters is not part of this prospectus, has not been approved and/or endorsed by us or the underwriters and should not be relied upon by investors.

Other Activities and Relationships

The underwriters and certain of their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters and certain of their affiliates have, from time to time, performed, and may in the future perform, various commercial and investment banking and financial advisory services for us and our affiliates, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and certain of their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments issued by us and our affiliates. If the underwriters or their respective affiliates have a lending relationship with us, they routinely hedge their credit exposure to us consistent with their customary risk management policies. The underwriters and their respective affiliates may hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities or the securities of our affiliates, including potentially the common stock offered hereby. Any such short positions could adversely affect future trading prices of the common stock offered hereby. The underwriters and certain of their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Notice to Holders

Australia

This prospectus is not a disclosure document for the purposes of Australia's Corporations Act 2001 (Cth) of Australia, or Corporations Act, has not been lodged with the Australian Securities & Investments Commission and is only directed to the categories of exempt persons set out below. Accordingly, if you receive this prospectus in Australia:

You confirm and warrant that you are either:

- a "sophisticated investor" under section 708(8)(a) or (b) of the Corporations Act;
- a "sophisticated investor" under section 708(8)(c) or (d) of the Corporations Act and that you have provided an accountant's certificate to the Company which complies with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act and related regulations before the offer has been made;
- a person associated with the Company under Section 708(12) of the Corporations Act; or
- a "professional investor" within the meaning of section 708(11)(a) or (b) of the Corporations Act.

To the extent that you are unable to confirm or warrant that you are an exempt sophisticated investor, associated person or professional investor under the Corporations Act any offer made to you under this prospectus is void and incapable of acceptance.

You warrant and agree that you will not offer any of the securities issued to you pursuant to this prospectus for resale in Australia within 12 months of those securities being issued unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act.

Canada

Resale Restrictions

The distribution of our shares in Canada is being made only in the provinces of Ontario, Quebec, Alberta and British Columbia on a private placement basis exempt from the requirement that we prepare and file a prospectus with the securities regulatory authorities in each province where trades of these securities are made. Any resale of the shares of common stock in Canada must be made under applicable securities laws which may vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the securities.

Representations of Canadian Purchasers

By purchasing our shares of common stock in Canada and accepting delivery of a purchase confirmation, a purchaser is representing to us and the dealer from whom the purchase confirmation is received that:

- the purchaser is entitled under applicable provincial securities laws to purchase the shares without the benefit of a prospectus qualified under those securities laws as it is an “accredited investor” as defined under National Instrument 45-106—Prospectus Exemptions;
- the purchaser is a “permitted client” as defined in National Instrument 31-103—Registration Requirements, Exemptions and Ongoing Registrant Obligations;
- where required by law, the purchaser is purchasing as principal and not as agent; and
- the purchaser has reviewed the text above under Resale Restrictions.

Conflicts of Interest

Canadian purchasers are hereby notified that the underwriters proposing to sell into Canada are relying on the exemption set out in section 3A.3 or 3A.4, if applicable, of National Instrument 33-105—Underwriting Conflicts from having to provide certain conflict of interest disclosure in this document.

Statutory Rights of Action

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the prospectus (including any amendment thereto) such as this document contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser of these securities in Canada should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Enforcement of Legal Rights

All of our directors and officers as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

Taxation and Eligibility for Investment

Canadian purchasers of our shares of common stock should consult their own legal and tax advisors with respect to the tax consequences of an investment in the share in their particular circumstances and about the eligibility of the shares for investment by the purchaser under relevant Canadian legislation.

European Economic Area and United Kingdom

In relation to each member state of the European Economic Area and the United Kingdom, each, a Relevant State, an offer to the public of any common shares which are the subject of the offering contemplated by this prospectus supplement and the accompanying prospectus may not be made in that Relevant State except that an offer to the public in that Relevant State of any common shares may be made at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a “qualified investor” as defined in the Prospectus Regulation;

- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), as permitted under the Prospectus Regulation, subject to obtaining the prior consent of the underwriters or the underwriters nominated by us for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of common shares shall require us or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 16 of the Prospectus Regulation.

For the purposes of this provision, the expression "offer to the public" in relation to the common shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the common shares to be offered so as to enable an investor to decide to purchase or subscribe the common shares, and the expression "Prospectus Regulation" means Regulation (EU)2017/1129.

Hong Kong

No securities have been offered or sold, and no securities may be offered or sold, in Hong Kong, by means of any document, other than to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent; or to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong, or SFO, and any rules made under that Ordinance; or in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong, or CO, or which do not constitute an offer or invitation to the public for the purpose of the CO or the SFO. No document, invitation or advertisement relating to the securities has been issued or may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted under the securities laws of Hong Kong) other than with respect to securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under that Ordinance.

This prospectus has not been registered with the Registrar of Companies in Hong Kong. Accordingly, this prospectus may not be issued, circulated or distributed in Hong Kong, and the securities may not be offered for subscription to members of the public in Hong Kong. Each person acquiring the securities will be required, and is deemed by the acquisition of the securities, to confirm that he is aware of the restriction on offers of the securities described in this prospectus and the relevant offering documents and that he is not acquiring, and has not been offered any securities in circumstances that contravene any such restrictions.

Israel

This document does not constitute a prospectus under the Israeli Securities Law, 5728-1968, or the Securities Law, and has not been filed with or approved by the Israel Securities Authority. In Israel, this prospectus is being distributed only to, and is directed only at, and any offer of the shares is directed only at, (i) a limited number of persons in accordance with the Israeli Securities Law and (ii) investors listed in the first addendum, or the Addendum, to the Israeli Securities Law, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters, venture capital funds, entities with equity in excess of NIS 50 million and "qualified individuals," each as defined in the Addendum (as it may be amended from time to time), collectively referred to as qualified investors (in each case, purchasing for their own account or, where permitted under the Addendum, for the accounts of their clients who are investors listed in the Addendum). Qualified investors are required to submit written confirmation that they fall within the scope of the Addendum, are aware of the meaning of same and agree to it.

Japan

The offering has not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948 of Japan, as amended), or FIEL, and the Initial Purchaser will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

This prospectus has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the securities may not be circulated or distributed, nor may the securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, or the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities pursuant to an offer made under Section 275 of the SFA except:

- to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- where no consideration is or will be given for the transfer;
- where the transfer is by operation of law;
- as specified in Section 276(7) of the SFA; or
- as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Switzerland

The securities may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or SIX, or on any other stock exchange or regulated trading facility in Switzerland. This prospectus has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this prospectus nor any other offering or marketing material relating to the securities or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this prospectus nor any other offering or marketing material relating to the offering, the Company or the securities have been or will be filed with or approved by any Swiss regulatory authority. In particular, this prospectus will not be filed with, and the offer of securities will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA, and the offer of securities has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of securities.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

This prospectus is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of the Prospectus Regulation that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, or the Order and/or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order and other persons to whom it may lawfully be communicated (each such person being referred to as a "relevant person").

This prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

LEGAL MATTERS

Cooley LLP, San Diego, California, which has acted as our counsel in connection with this offering, will pass on certain legal matters with respect to U.S. federal law in connection with this offering. Latham & Watkins LLP has acted as counsel to the underwriters in connection with this offering.

EXPERTS

Ernst & Young LLP, independent registered public accounting firm, has audited our consolidated financial statements at December 31, 2019 and for the year then ended, as set forth in their report. We have included our consolidated financial statements in the prospectus and elsewhere in the registration statement in reliance on Ernst & Young LLP's report, given on their authority as experts in accounting and auditing.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of common stock offered by this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all the information set forth in the registration statement, some of which is contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information with respect to us and our common stock, we refer you to the registration statement, including the exhibits filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit. The SEC also maintains an internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

Upon the closing of this offering, we will be subject to the information reporting requirements of the Exchange Act, and we will file reports, proxy statements and other information with the SEC. These reports, proxy statements and other information will be available for inspection and copying at the public reference room and website of the SEC referred to above.

We also maintain a website at www.reneopharma.com, at which, following the closing of this offering, you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. Information contained in, or accessible through, our website is not a part of this prospectus, and the inclusion of our website address in this prospectus is only as an inactive textual reference.

RENEO PHARMACEUTICALS, INC.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Reneo Pharmaceuticals, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Reneo Pharmaceuticals, Inc. (the Company) as of December 31, 2019, the related consolidated statements of operations and comprehensive loss, changes in convertible preferred stock and stockholders' deficit, and cash flows for the year then ended, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2019, and the results of its operations and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

The Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has incurred recurring losses from operations and negative cash flows from operating activities, and has stated that substantial doubt exists about the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2018.

San Diego, California
February 12, 2021

RENEO PHARMACEUTICALS, INC.

Consolidated Balance Sheet
(in thousands, except share and par value amounts)

	DECEMBER 31, 2019
ASSETS	
Current assets:	
Cash and cash equivalents	$ 17,501
Short-term investments	7,386
Prepaid expenses and other current assets	519
Total current assets	25,406
Property and equipment, net	79
Other non-current assets	20
Total assets	$ 25,505
LIABILITIES, CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT	
Current liabilities:	
Accounts payable	$ 542
Accrued expenses	2,397
Total current liabilities	2,939
Deferred rent	41
Total liabilities	2,980
Commitments and contingencies (Note 11)	
Series A convertible preferred stock, $0.0001 par value; 24,302,472 shares authorized at December 31, 2019; 24,302,472 shares issued and outstanding at December 31, 2019; liquidation preference of $52,493 at December 31, 2019	45,652
Stockholders' deficit	
Common stock, $0.0001 par value; 43,000,000 shares authorized at December 31, 2019, 8,989,471 shares issued and outstanding at December 31, 2019	1
Additional paid-in capital	2,362
Accumulated deficit	(25,493)
Accumulated other comprehensive income	3
Total stockholders' deficit	(23,127)
Total liabilities, convertible preferred stock and stockholders' deficit	$ 25,505

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

RENEO PHARMACEUTICALS, INC.

Consolidated Statement of Operations and Comprehensive Loss
(in thousands, except share and per share amounts)

	YEAR ENDED DECEMBER 31, 2019
Operating expenses:	
Research and development	$ 13,097
General and administrative	2,376
Total operating expenses	15,473
Loss from operations	(15,473)
Other income:	
Change in fair value of Series A convertible preferred stock purchase right liability	2,581
Other income	456
Net loss	(12,436)
Other comprehensive income:	
Unrealized gain on short-term investments	3
Comprehensive loss	$ (12,433)
Net loss per share attributable to common stockholders, basic and diluted	$ (1.43)
Weighted-average shares used in computing net loss per share, basic and diluted	8,717,693

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

RENEO PHARMACEUTICALS, INC.

Consolidated Statement of Changes in Convertible Preferred Stock and Stockholders' Deficit
(in thousands, except share amounts)

	SERIES A CONVERTIBLE PREFERRED STOCK		COMMON STOCK		ADDITIONAL PAID-IN CAPITAL	ACCUMULATED OTHER COMPREHENSIVE INCOME	ACCUMULATED DEFICIT	TOTAL STOCKHOLDERS' DEFICIT
	SHARES	AMOUNT	SHARES	AMOUNT				
Balances, December 31, 2018	12,728,397	$ 20,692	8,127,812	$ 1	$ 1,274	$ —	$ (13,057)	$ (11,782)
Common shares issued in connection with licensing agreement	—	—	801,659	—	673	—	—	673
Issuance of Series A convertible preferred stock, net of issuance cost of $40	11,574,075	24,960	—	—	—	—	—	—
Stock-based compensation	—	—	—	—	388	—	—	388
Stock option exercise	—	—	60,000	—	27	—	—	27
Unrealized gains/losses on short-term investments	—	—	—	—	—	3	—	3
Net loss	—	—	—	—	—	—	(12,436)	(12,436)
Balances, December 31, 2019	24,302,472	$ 45,652	8,989,471	$ 1	$ 2,362	$ 3	$ (25,493)	$ (23,127)

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

RENEO PHARMACEUTICALS, INC.

Consolidated Statement of Cash Flows
(in thousands)

	YEAR ENDED DECEMBER 31, 2019
Cash flows from operating activities	
Net loss	$ (12,436)
Adjustments to reconcile net loss to net cash used in operating activities:	
Non-cash expense associated with issuance of common shares in connection with license agreement	673
Depreciation and amortization	34
Change in fair value of Series A convertible preferred stock purchase right liability	(2,581)
Amortization/ accretion on short-term investments	(149)
Stock-based compensation	388
Changes in operating assets and liabilities:	
Accounts payable, accrued expenses and other	1,034
Prepaid expenses and other assets	525
Deferred rent	2
Net cash used in operating activities	(12,510)
Cash flows from investing activities	
Purchase of property and equipment	(8)
Purchase of available-for-sale short-term investments	(19,834)
Proceeds from maturities of available-for-sale-short-term investments	12,600
Net cash used in investing activities	(7,242)
Cash flows from financing activities	
Proceeds from issuance of Series A convertible preferred stock and Series A convertible preferred stock purchase right liability, net of issuance costs	24,960
Proceeds from exercise of stock options	27
Net cash provided by financing activities	24,987
Net increase in cash and cash equivalents	5,235
Cash and cash equivalents, beginning of year	12,266
Cash and cash equivalents, end of year	$ 17,501

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

RENEO PHARMACEUTICALS, INC.

Notes to Consolidated Financial Statements

1. Organization and Business

Organization

Reneo Pharmaceuticals, Inc. (Reneo or the Company) was incorporated in the state of Delaware on September 22, 2014 (Inception). The Company is a clinical stage pharmaceutical company focused on the development of therapies for patients with rare genetic mitochondrial diseases. In December 2017, the Company in-licensed REN001, a novel orally available peroxisome proliferator-activated receptor (PPAR) agonist.

Liquidity

The Company has incurred significant losses and negative cash flows from operations. From inception through December 31, 2019, the Company has raised $51.7 million in private financings to support its drug development efforts. As of December 31, 2019, the Company had cash and cash equivalents and short-term investments of $24.9 million and an accumulated deficit of $25.5 million. The Company had a net loss of $12.4 million and used cash of $12.5 million for operating activities for the year ended December 31, 2019. In accordance with Accounting Standards Update (ASU) 2014-15, *Presentation of Financial Statements—Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*, management is required to perform a two-step analysis over the Company's ability to continue as a going concern. Management must first evaluate whether there are conditions and events that raise substantial doubt about the Company's ability to continue as a going concern for a period of 12 months from the date the consolidated financial statements are issued. If management concludes that substantial doubt is raised, management is also required to consider whether its plans alleviate that doubt.

Due to the Company's continuing research and development activities, the Company expects to continue to incur net losses into the foreseeable future and may never become profitable. As a result, the Company will need to raise capital through public or private equity or debt financings, government or other third-party funding, collaborations, strategic alliances and licensing arrangements or a combination of these. Successful transition to attaining profitable operations is dependent upon achieving a level of revenues adequate to support the Company's cost structure. These circumstances raise substantial doubt about the Company's ability to continue as a going concern. The accompanying consolidated financial statements do not include any adjustment to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may results from the outcome of the uncertainty concerning the Company's ability to continue as a going concern.

The Company raised $47.1 million from the sale of 23,440,514 shares of Series B convertible preferred stock in December 2020. Along with the closing, the Company issued rights to the purchasers for the purchase of an additional 23,440,514 shares of Series B convertible preferred stock under the same terms and conditions as the initial closing (see Note 12). Management's analysis excludes the receipt of the additional funds associated with the purchase rights of the Series B convertible preferred stock as receipt of these funds are not entirely within its control and cannot be assessed as being probable of occurring. There can be no assurance that the Company will be successful in obtaining additional funding, that the Company's projections of its future working capital needs will prove accurate, or that any additional funding would be sufficient to continue operations in future years. If the Company is not able to secure adequate additional funding, the Company may be forced to make reductions in spending, extend payment terms with suppliers, liquidate assets where possible, and/or suspend or curtail planned programs. Any of these actions could materially harm the Company's business, results of operations, and future prospects. The Company's ability to raise additional capital may be adversely impacted by potential worsening global economic conditions and the recent disruptions to, and volatility in, financial markets in the United States and worldwide resulting from the ongoing COVID-19 pandemic. The Company may not be able to secure additional financing in a timely manner or on favorable terms, if at all.

2. Summary of Significant Accounting Policies

Basis of Presentation and Consolidation

The Company's consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States (GAAP).

The consolidated financial statements include the accounts of Reneo Pharmaceuticals, Inc. and its wholly owned subsidiary, Reneo Pharma Ltd located in the United Kingdom. (UK). All intercompany balances and transactions among the consolidated entities have been eliminated in consolidation.

Use of Estimates

The preparation of the Company's consolidated financial statements requires management to make estimates and assumptions that impact the reported amounts of assets, liabilities and expenses and the disclosure in the Company's consolidated financial statements and accompanying notes. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. By their nature, estimates are subject to an inherent degree of uncertainty and, as such, actual results may differ from management's estimates.

Risks and Uncertainties

Any product candidates developed by the Company will require approvals from the U.S. Food and Drug Administration (FDA) or foreign regulatory agencies prior to commercial sales. There can be no assurance that the Company's current product candidates will meet desired efficacy and safety requirements to obtain the necessary approvals. If approval is denied or delayed, it may have a material adverse impact on the Company's business and its financial statements.

The Company is subject to a number of risks similar to other clinical-stage pharmaceutical companies including, but not limited to, dependency on the clinical and commercial success of the Company's product candidate, REN001, ability to obtain regulatory approval of REN001, the need for substantial additional financing to achieve its goals, uncertainty of broad adoption of its approved products, if any, by physicians, consumers and third-party payors, significant competition and untested manufacturing capabilities, and dependence on key individuals and sole source suppliers.

The Company's business has been and could continue to be adversely affected by the evolving COVID-19 pandemic. For example, the COVID-19 pandemic has resulted in and could result in delays to the Company's clinical trials for numerous reasons including additional delays or difficulties in enrolling patients, diversion of healthcare resources away from the conduct of clinical trials, interruption or delays in the operations of the FDA or other regulatory authorities, and delays in clinical sites receiving the supplies and materials to conduct the Company's clinical trials. At this time, the extent to which the COVID-19 pandemic impacts the Company's business will depend on future developments, which are highly uncertain and cannot be predicted.

Segment Reporting

The Company operates and manages its business as one operating segment, which is the business of developing novel therapies for rare genetic mitochondrial diseases. The Company's chief executive officer, who is the chief operating decision maker, reviews financial information on an aggregate basis for allocating and evaluating financial performance.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less, when purchased, to be cash equivalents. As of December 31, 2019, the Company had cash balances deposited at a major financial institution. Cash balances are subject to minimal credit risk as the balances are with high credit quality financial institutions. Cash and cash equivalents include cash in readily available checking, money market accounts and repurchase agreements.

Short-term Investments

The Company accounts for short-term investments in accordance with Accounting Standards Codification (ASC) No. 320, *Investments—Debt and Equity Securities*. Management determines the appropriate classification of its investments at the time of purchase and reevaluates such determinations at each balance sheet date.

The Company's investments consist of U.S. treasury bills and they are classified as available-for-sale securities. Available-for-sale securities are carried at fair value, with the unrealized gains and losses reported in accumulated other comprehensive income in stockholders' deficit. Realized gains and losses on sales of investments are included in interest income and are derived using the specific identification method for determining the cost of securities.

The Company recognizes an impairment charge when a decline in the fair value of its investments in debt securities below the amortized cost basis of such securities is judged to be other-than-temporarily impaired. Factors considered in making such a determination include the duration and severity of the impairment, the reason for the decline in value, the potential recovery period and if the entity has the intent to sell the security, or if it is more likely than not that it will be required to sell the security before recovery of its amortized cost basis. The Company did not recognize any other-than-temporary impairment charges on its short-term investments during the year ended December 31, 2019.

Money market account balances are included as cash and cash equivalents on the consolidated balance sheet, which are also disclosed in Note 4, Fair Value Measurements.

Concentration of Credit Risk

Financial instruments, which potentially subject the Company to significant concentration of credit risk, consist primarily of cash, cash equivalents and short-term investments. The Company maintains deposits in federally insured financial institutions in excess of federally insured limits. The Company has not experienced any losses in such accounts and management believes that the Company is not exposed to significant credit risk due to the financial position of the depository institutions in which those deposits are held.

Property and Equipment, Net

Property and equipment are stated at cost, less accumulated depreciation and amortization. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets. Maintenance and repairs are expensed as incurred.

The following estimated useful lives were used to depreciate or amortize the Company's assets:

	ESTIMATED USEFUL LIFE
Furniture and fixtures	5 years
Computers and software	3 years
Leasehold improvements	Shorter of useful life or remaining lease term

Impairment of Long-Lived Assets

Long-lived assets consist primarily of property and equipment. Long-lived assets are tested for impairment when events and circumstances indicate the assets might be impaired by first comparing the estimated future undiscounted cash flows of the asset or asset group to the carrying value. If the carrying value exceeds the estimated future undiscounted cash flows, an impairment loss is recognized based on the amount that the carrying value exceeds the fair value of the asset or asset group. The Company did not recognize impairment losses during the year ended December 31, 2019.

Leases

Leases are accounted for under ASC 840, *Leases*, and classified as operating leases. The Company records rent expense on a straight-line basis over the term of the lease. The difference between rent payments and straight-line rent expense is recorded as deferred rent.

Convertible Preferred Stock

The Company records convertible preferred stock at fair value on the dates of issuance, net of issuance costs. Upon the occurrence of certain events that are outside the Company's control, including a deemed liquidation event such as a merger, acquisition and sale of all or substantially all of the Company's assets, holders of the convertible preferred stock can cause redemption for cash. Therefore, convertible preferred stock is classified as temporary equity (mezzanine) on the consolidated balance sheet as events triggering the liquidation preferences are not solely within the Company's control. The carrying values of the convertible preferred stock will be adjusted to their liquidation preferences if and when it becomes probable that such a liquidation event will occur.

Research and Development Costs and Accruals

All research and development costs are expensed as incurred. Research and development costs consist primarily of costs associated with manufacturing drug substance and drug product, costs associated with preclinical studies and clinical trials (including amounts paid to clinical research organizations and other professional services), license fees, salaries and employee benefits.

The Company records accruals for estimated research and development costs, comprising payments for work performed by third party contractors, laboratories, participating clinical trial sites and others. Some of these contractors bill monthly based on actual services performed, while others bill periodically based upon achieving certain contractual milestones. Payments made in advance of or after performance are reflected in the consolidated balance sheet as prepaid expenses or accrued liabilities, respectively. Up-front costs, such as costs associated with setting up clinical trial sites for participation in the trials, are expensed immediately once the set-up has occurred as research and development expenses. The Company accrues the costs incurred under agreements with these third parties based on estimates of actual work completed in accordance with the respective agreements. If the actual timing of the performance of services or the level of effort varies from the estimate, the Company adjusts accrued expenses or prepaid expenses accordingly, which impact research and development expenses.

License Fees

The Company expenses amounts paid to acquire licenses associated with products under development when the ultimate recoverability of the amounts paid is uncertain and the technology has no alternative future use when acquired. Acquisitions of technology licenses are charged to expense or capitalized based upon management's assessment regarding the ultimate recoverability of the amounts paid and the potential for alternative future use. The Company has determined that technological feasibility for its product candidate would be reached when the requisite regulatory approvals are obtained to make the product available for sale. Contingent milestone payments are recognized when the related contingency is resolved, and the amounts are paid or become payable. These amounts are expensed to research and development if there is no alternative future use associated with the license or capitalized as an intangible asset if alternative future use of the license exists.

Patent Costs

Costs related to filing and pursuing patent applications are expensed as incurred, as recoverability of such expenditures is uncertain. These costs are included in general and administrative expenses.

Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company recognizes net deferred tax assets to the extent that the Company believes these assets are more likely than not to be realized. In making such a determination, management considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies and results of recent operations. If management determines that the Company would be able to realize its deferred tax assets in the future in excess of their net recorded amount, management would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

The Company records uncertain tax positions on the basis of a two-step process whereby (1) management determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, management recognizes the largest amount of tax benefit that is more than 50% likely to be realized upon ultimate settlement with the related tax authority. The Company's policy is to recognize interest and penalties related to the underpayment of income taxes as a component of income tax expense or benefit. To date, there have been no interest or penalties charged in relation to unrecognized tax benefits.

The Company is subject to taxation in the United States and the UK. As of December 31, 2019, the Company's tax years since Inception are subject to examination by taxing authorities in the United States and the UK tax returns from 2018 forward are subject to examination.

Stock-Based Compensation

Compensation expense related to stock options granted to employees and non-employees is measured at the grant date based on the estimated fair value of the award and is recognized on a straight-line basis over the requisite service period. Forfeitures are recognized as a reduction of stock-based compensation expense as they occur. The Company estimates the fair value of stock option grants using the Black-Scholes option pricing model.

Foreign Currency Transactions

The functional currency of Reneo Pharma Ltd is the U.S. dollar. All foreign exchange transactional and remeasurement gains and losses are recognized in the consolidated statement of operations and comprehensive loss. For the year ended December 31, 2019, total foreign currency gains and losses were not material.

Convertible Preferred Stock Purchase Right Liability

In connection with the Company's Series A convertible preferred stock financing, in addition to the initial closings in December 2017 and January 2018, investors agreed to buy, and the Company agreed to sell, additional shares of Series A convertible preferred stock at a fixed price upon either (i) the board of directors' acceptance of the Company management's recommendation to fund following a successful outcome of one of the Company's planned proof of concept clinical studies, as determined in the sole discretion of the board of directors, or (ii) the approval of the holders holding a majority of the outstanding Series A convertible preferred stock. The Company evaluated this purchase right and concluded that it meets the definition of a freestanding instrument. Accordingly, the Company determined the fair value of the purchase right liability and recorded it on the balance sheet with the remainder of the proceeds raised being allocated to convertible preferred stock. The convertible preferred stock purchase right liability is revalued at each reporting period with changes in the fair value of the liability recorded as change in fair value of convertible preferred stock purchase right liability in the consolidated statement of operations and comprehensive loss. The convertible preferred stock purchase right liability is revalued at settlement and the resultant fair value is then reclassified to convertible preferred stock at that time.

Comprehensive Income or Loss

Comprehensive income or loss is defined as a change in equity during a period from transactions and other events and circumstances from non-owner sources.

Net Loss Per Share

The Company computes basic loss per share by dividing the net loss available to common stockholders by the weighted average number of common shares outstanding for the period, without consideration for common stock equivalents. Diluted net loss per share assumes the conversion, exercise or issuance of all potential common stock equivalents, unless the effect of inclusion would be anti-dilutive. For purposes of this calculation, common stock equivalents include the Company's stock options and convertible preferred stock, which are convertible into shares of the Company's common stock. No shares related to the convertible preferred stock were included in the diluted net loss per share calculation for the year ended December 31, 2019 because the inclusion of such shares would have had an anti-dilutive effect. The shares to be issued upon exercise of all outstanding stock options were also excluded from the diluted net loss per share calculation for the year ended December 31, 2019 because such shares are anti-dilutive.

The following table sets forth the computation of the basic and diluted net loss per share:

	YEAR ENDED DECEMBER 31, 2019
Numerator:	
Net loss (in thousands)	$ (12,436)
Denominator:	
Weighted-average shares used in computing net loss per share	8,717,693
Net loss per share, basic and diluted	$ (1.43)

Historical outstanding anti-dilutive securities not included in the diluted net loss per share calculation include the following:

	YEAR ENDED DECEMBER 31, 2019
Convertible preferred stock (as converted)	24,302,472
Common stock options	4,407,460
Total	28,709,932

New Accounting Pronouncements

Recently Adopted Accounting Standards

In January 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-01, *Financial Instruments – Overall (Topic 825-10)*, which requires entities to measure equity investments at fair value and recognize any changes in fair value in net loss. The Company adopted this ASU as of January 1, 2019, which did not have a material impact on the Company's consolidated financial statements.

Recent Accounting Pronouncements Not Yet Adopted

In December 2019, the FASB issued ASU 2019-12, *Simplifying the Accounting for Income Taxes*. The standard simplifies the accounting for income taxes, eliminates certain exceptions within ASC 740, *Income Taxes*, and clarifies certain aspects of the current guidance to promote consistency among reporting entities. The new guidance will be effective for the Company as of January 1, 2022. Most amendments within the standard are required to be applied on a prospective basis, while certain amendments must be applied on a retrospective or modified retrospective basis. The Company is in the process of evaluating the impact of the application of this accounting standard update on its consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments*. The standard amends the impairment model by requiring entities to use a forward-looking approach based on expected losses to estimate credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. For available-for-sale debt securities, entities will be required to recognize an allowance for credit losses rather than a reduction in carrying value of the asset. Entities will no longer be permitted to consider the length of time that fair value has been less than amortized cost when evaluating when credit losses should be recognized. This new guidance is effective for the Company as of January 1, 2023. The Company is currently evaluating the impact of this ASU and does not expect that adoption of this standard will have a material impact on its consolidated financial statements and related disclosures.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)* in order to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet for those leases classified as operating leases under previous GAAP. ASU 2016-02 requires a lessee to recognize a liability for lease payments (the lease liability) and a right-of-use asset (representing its right to use the underlying asset for the lease term) on the balance sheet. In July 2018, the FASB issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*, which provides entities an optional transition method to apply the new guidance as of the adoption

date, rather than as of the earliest period presented. In transition, entities may also elect a package of practical expedients that must be applied in its entirety to all leases commencing before the effective date, unless the lease was modified, to not reassess (a) whether a contract is or contains a lease, (b) lease classification or (c) determination of initial direct costs, which effectively allows entities to carryforward accounting conclusions under previous U.S. GAAP. This ASU is effective for annual reporting periods beginning January 1, 2022 with early adoption permitted. The Company plans to adopt the ASU on January 1, 2022 and is currently in the process of evaluating the impact of the application of this accounting standard update on its consolidated financial statements and related disclosures.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement* (Topic 820). The new guidance removes, modifies and adds to certain disclosure requirements on fair value measurements in Topic 820. This new guidance became effective for the Company as of January 1, 2020 and its adoption has not had a material impact on the Company's consolidated financial position or results of operations.

4. Fair Value Measurements

ASC Topic 820, *Fair Value Measurement*, establishes a fair value hierarchy for instruments measured at fair value that distinguishes between assumptions based on market data (observable inputs) and the Company's own assumptions (unobservable inputs). Observable inputs are inputs that market participants would use in pricing an asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the inputs that market participants would use in pricing the asset or liability and are developed based on the best information available in the circumstances.

ASC 820 identifies fair value as the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As a basis for considering market participant assumptions in fair value measurements, ASC 820 establishes a three-tier fair value hierarchy that distinguishes between the following:

Level 1—Observable inputs such as quoted prices in active markets for identical assets or liabilities.

Level 2—Inputs, other than quoted prices in active markets, that are observable for the asset or liability, either directly or indirectly.

Level 3—Unobservable inputs in which there is little or no market data, which requires the Company to develop its own assumptions.

Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability. The Company's financial assets and tranche liability are subject to fair value measurements on a recurring basis.

The Company classifies its money market funds and U.S. Treasury bills as categorized as Level 1, using the quoted prices in active markets. Repurchase agreements are valued using level 2 significant other observable inputs. In addition, the Company estimates the fair values of the Series A convertible preferred stock purchase right liability utilizing Level 3 inputs. No assets or liabilities were transferred into or out of level 3 classifications during the year ended December 31, 2019. Estimating the fair values of the Series A convertible preferred stock purchase right liabilities requires the use of significant and subjective inputs that may, and are likely to, change over the duration of the instrument with related changes in internal and external market factors.

The estimated fair value of the Series A convertible preferred stock purchase right liability was determined using a valuation model that considered the probability of occurrence of the Series A Tranche Right Closing (see Note 7), an assumed discount rate, the number of shares and consideration to be received for the Series A Tranche Right Closing, the estimated time period the Series A convertible preferred stock purchase right would be outstanding, and any changes in the fair value of the underlying Series A convertible preferred stock.

The recurring fair value measurement of the Company's assets and liabilities measured at fair value at December 31, 2019 consisted of the following (in thousands):

	QUOTED PRICES IN ACTIVE MARKETS FOR IDENTICAL ITEMS (LEVEL 1)	SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 2)	SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)	TOTAL
Cash equivalents				
Money market investments	$ 11,737	$ —	$ —	$ 11,737
Repurchase agreement	—	4,000	—	4,000
Short-term investments				
U.S. Treasury instruments	7,386	—	—	7,386
Total	$ 19,123	$ 4,000	$ —	$ 23,123

The following table sets forth a summary of changes in the fair value of the Company's convertible preferred stock purchase right liability (in thousands):

	TOTAL PREFERRED STOCK PURCHASE RIGHT LIABILITY
Balance, December 31, 2018	$ 2,581
Changes in estimated fair value of convertible preferred stock purchase right in connection with second closing of Series A convertible preferred stock (Note 7)	(2,581)
Balance, December 31, 2019	$ —

5. Property and Equipment, Net

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

	DECEMBER 31, 2019
Computer, software and office equipment	$ 103
Leasehold improvements	30
Total property and equipment, gross	133
Less: accumulated depreciation and amortization	(54)
Total property and equipment, net	$ 79

Depreciation and amortization expense related to property and equipment was $34,000 for the year ended December 31, 2019.

6. Accrued Expenses

Accrued expenses consist of the following (in thousands):

	DECEMBER 31, 2019
Accrued development expenses	$ 955
Accrued clinical expenses	702
Accrued compensation	621
Other accrued expenses	119
Total accrued expenses	$ 2,397

7. Convertible Preferred Stock and Stockholders' Deficit

Series A Convertible Preferred Stock

In December 2017, the Company and certain investors entered into a Series A convertible preferred stock purchase agreement, whereby the Company issued 3,006,175 shares of Series A convertible preferred stock at $2.16 per share, which constituted the first closing of the first tranche of Series A convertible preferred stock. Out of the 3,006,175 shares issued in December 2017, 1,154,322 shares were issued as a result of conversion of previously issued convertible promissory notes in accordance with the conversion terms, which included a 20% discount on the Series A convertible preferred stock per share price, and the remaining 1,851,853 shares were newly issued for cash consideration of approximately $4 million. In connection with the first closing of the first tranche of Series A convertible preferred stock in December 2017, the Company issued rights to the purchasers for the purchase of an additional 1,843,753 shares of Series A convertible preferred stock under the same terms and conditions upon either (i) the board of directors' acceptance of the Company's management's recommendation to fund following a successful outcome of one of the Company's planned proof of concept clinical studies, as determined in the sole discretion of the board of directors, or (ii) the approval of the holders holding a majority of the outstanding Series A convertible preferred stock (First Closing Tranche Right).

In January 2018, the Company completed the second closing of the first tranche of Series A convertible preferred stock issuance at $2.16 per share. A total of 9,722,222 shares were issued for cash consideration of approximately $21 million. In connection with the second closing of the first tranche of Series A convertible preferred stock in January 2018, the Company issued rights to the purchasers for the purchase of an additional 9,730,322 shares of Series A convertible preferred stock under the same terms and condition upon either (i) the board of directors' acceptance of the Company's management's recommendation to fund following a successful outcome of one of the Company's planned proof of concept clinical studies, as determined in the sole discretion of the board of directors, or (ii) the approval of the holders holding a majority of the outstanding Series A convertible preferred stock (together with the First Closing Tranche Right, Series A Tranche Right).

The Company evaluated the Series A Tranche Right and concluded that it was a freestanding financial instrument that is recorded at fair value. Accordingly, in connection with each of the first and second closing of the first tranche of Series A convertible preferred stock, the Company estimated the fair value of the corresponding tranche right and accounted for the tranche right as a convertible preferred stock purchase right liability. The Company allocated the proceeds raised using the residual method, with the amount first allocated to the convertible preferred stock purchase right liability at its fair value, and the remainder was allocated to the Series A convertible preferred stock. The Series A convertible preferred stock purchase right was recorded at fair value at each reporting period, with changes in fair value recognized as non-operating income or loss in the consolidated statement of operations and comprehensive loss.

In May 2019, the Company issued an additional 11,574,075 shares of Series A convertible preferred stock to the Series A convertible preferred stockholders in accordance with the Series A Tranche Right provisions for total gross proceeds of $25 million (2019 Series A Financing). The Series A Tranche Right was revalued upon settlement in connection with the 2019 Series A Financing, and the Company recorded the change in the fair value of Series A Tranche Right between January 1, 2019 and closing date of the 2019 Series A Financing as non-operating income/loss in the consolidated statement of operations and comprehensive loss.

For the year ended December 31, 2019, the Company recognized a gain from the change in the fair value of convertible preferred stock purchase right liability of approximately $2.6 million.

The Series A convertible preferred stock has the following key features:

Voting Rights

Each holder of shares of the Series A convertible preferred stock is entitled to the number of votes equal to the number of shares of common stock into which such shares of Series A convertible preferred stock could then be converted.

Dividends

The holders of Series A convertible preferred stock are entitled to a non-cumulative dividend of 8% of the original issue price when, as and if declared by board of directors, only out of funds that are legally available.

Liquidation Preferences

Holders of the Series A convertible preferred stock are entitled to receive liquidation preferences equal to the greater of (a) original issue price plus all declared and unpaid dividends or (b) such amount per share as would have been payable had all shares of such series of convertible preferred stock been converted into common stock immediately prior to such liquidation, dissolution, winding up or deemed liquidation event. Only after payment of the full liquidation preference of Series A convertible preferred stock, the remaining funds and assets of the Company legally available for distribution shall be distributed ratably to the holders of the common stock.

Conversion Rights

At the option of the holder, subject to adjustment for anti-dilution protection, shares of Series A convertible preferred shares can be converted into fully paid and non-assessable shares of the Company's common stock on a one for one basis.

Upon either (a) the closing of the sale of shares of common stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act resulting in at least $75,000,000 of gross proceeds to the Company (Qualified Initial Public Offering) or (b) the date and time, or the occurrence of an event, specified by vote or written consent of the holders of a majority of the outstanding shares of Series A convertible preferred stock at the time of such vote or consent, voting together as a single class on an as-converted basis, all outstanding shares of Series A convertible preferred stock shall automatically be converted into shares of common stock, at the applicable ratio at the time of conversion.

Redemption

The Series A convertible preferred stock is not redeemable. However, the Series A convertible preferred stock includes terms such that there are "deemed liquidation" events that can trigger redemption of the convertible preferred stock that are outside the control of the Company. Accordingly, the Series A convertible preferred stock is classified outside of permanent equity on the consolidated balance sheet.

Shares Reserved for Future Issuance

As of December 31, 2019, the Company had reserved shares of its common stock for future issuance as follows:

	SHARES RESERVED
Series A convertible preferred stock outstanding	24,302,472
Common stock options outstanding	4,407,460
Available for future grants under the 2014 Equity Incentive Plan	73,647
Total shares of common stock reserved	28,783,579

8. Stock-Based Compensation

In 2014, the Company adopted the 2014 Equity Incentive Plan (the 2014 Plan). The 2014 Plan provides for the issuance of incentive stock options to employees of the Company and non-statutory stock options, restricted stock awards, restricted stock unit awards, stock appreciation rights and other stock awards to directors, employees and consultants of the Company. The 2014 Plan has a reserve of 4,541,107 shares. As of December 31, 2019, there were 73,647 shares available for grant under the 2014 Plan.

The options granted under the 2014 Plan will expire no more than ten years from date of grant. The exercise price of each option is determined by the Company's board of directors, although generally options have an exercise price equal to the estimated fair market value of the Company's stock on the date of the option grant. In the case of incentive stock options, the exercise price is required to be no less than 100% of the estimated fair market value of the Company's common stock at the time the option is granted. For holders of more than 10% of the Company's total combined voting power of all classes of stock, incentive stock options may not be granted at less than 110% of the fair market value of the Company's common stock at the date of grant and for a term not to exceed five years. Most option grants generally vest 25% on the first anniversary of the original vesting commencement date, with the balance vesting monthly over the remaining three years.

Under the 2014 Plan, certain employees may be granted the ability to early exercise their options. The shares of common stock issued pursuant to early exercise of unvested stock options are restricted and continue to vest over the requisite service period after issuance. The Company has the option to repurchase any unvested shares at the original purchase price upon any voluntary or involuntary termination. The shares purchased by the employees and non-employees pursuant to the early exercise of stock options are not deemed, for accounting purposes, to be outstanding until those shares vest. As of December 31, 2019, there have not been early exercises of stock options. If and when early exercises take place, cash received in exchange for exercised and unvested shares related to stock options granted will be recorded as a liability for the early exercise of stock options and transferred into common stock and additional paid-in capital as the shares vest.

A summary of the Company's stock option activity and related information is as follows:

	OPTIONS OUTSTANDING	WEIGHTED-AVERAGE EXERCISE PRICE	WEIGHTED-AVERAGE REMAINING CONTRACTUAL TERM
Outstanding at December 31, 2018	2,880,253	$ 0.44	9.3
Granted	1,597,207	$ 0.78	
Exercised	(60,000)	$ 0.44	
Forfeited/cancelled	(10,000)	$ 0.51	
Outstanding at December 31, 2019	4,407,460	$ 0.56	8.7
Vested at December 31, 2019	1,861,373	$ 0.44	8.3
Exercisable at December 31, 2019	3,776,048	$ 0.55	8.7

Options exercisable at December 31, 2019 include vested options and options eligible for early exercise. All outstanding options as of December 31, 2019 are expected to vest.

The weighted-average assumptions used in the Black-Scholes option pricing model to determine the fair value of the employee stock option grants were as follows:

	YEAR ENDED DECEMBER 31, 2019
Risk-free interest rate	1.98%
Expected volatility	71.7%
Expected term (in years)	6.0
Expected dividend yield	—%

The weighted average grant date fair value of options granted in 2019 was $0.50.

Risk-free interest rate. The Company bases the risk-free interest rate assumption on the U.S. Treasury's rates for U.S. Treasury zero-coupon bonds with maturities similar to those of the expected term of the award being valued.

Expected volatility. The expected volatility assumption is based on volatilities of a peer group of similar companies whose share prices are publicly available. The peer group was developed based on companies in the biotechnology industry.

Expected term. The expected term represents the period of time that options are expected to be outstanding. Because the Company does not have historical exercise behavior, it determines the expected life assumption using the simplified method, which is an average of the contractual term of the option and its vesting period.

Expected dividend yield. The Company bases the expected dividend yield assumption on the fact that it has never paid cash dividends and has no present intention to pay cash dividends.

Unrecognized compensation expense at December 31, 2019 for both employee and non-employee stock-based compensation expense was $953 thousand, which is expected to be recognized over a weighted-average vesting term of 2.8 years.

Non-cash stock-based compensation expense recorded in the statement of operations and comprehensive loss is as follows (in thousands):

	YEAR ENDED DECEMBER 31, 2019
General and administrative	$ 231
Research and development	157
Total	$ 388

9. License Agreement

In December 2017, the Company entered into a License Agreement with vTv Therapeutics LLC (vTv Therapeutics) (the vTv License Agreement), under which the Company obtained an exclusive, worldwide, sublicensable license under certain vTv Therapeutics intellectual property to develop, manufacture and commercialize PPARd agonists and products containing such PPARd agonists, including REN001, for any therapeutic, prophylactic or diagnostic application in humans. Under the terms of the vTv License Agreement, the Company paid vTv Therapeutics an initial upfront license fee payment of $3.0 million and issued to vTv Therapeutics shares of its common stock. The vTv License Agreement was accounted for as an asset acquisition and the upfront cash payment of $3 million and the fair value of common stock of $0.7 million issued to vTv Therapeutics was recorded in research and development expenses, as there was no alternative use for the asset.

Upon the achievement of certain pre-specified development and regulatory milestones, the Company is also required to pay vTv Therapeutics milestone payments totaling up to $64.5 million. The Company is also required to pay vTv Therapeutics up to $30.0 million in total sales-based milestones upon achievement of certain sales thresholds of the licensed product. In addition, the Company is obligated to make royalty payments to vTv Therapeutics at mid-single digit to low teen percentage royalty rates, based on tiers of annual net sales of licensed products, subject to certain customary reductions.

vTv Therapeutics was also eligible to receive additional common stock of the Company upon future financing event(s) of the Company of up to $50 million, so that vTv Therapeutics' ownership in the Company was maintained at 7% on a fully diluted basis. In January 2018, upon the second closing of the first tranche of the Series A convertible preferred stock financing, the Company issued an additional 392,518 shares of the Company's common stock to vTv Therapeutics. In May 2019, the Company issued an additional 801,659 shares to vTv Therapeutics in connection with the second tranche closing of the Series A convertible preferred stock, following which the Company is no longer obligated to issue more common stock under the vTv License Agreement. The Company accounted for the additional common stock granted to vTv Therapeutics when the shares were obligated to be issued to vTv Therapeutics. For the year ended December 31, 2019, the Company recorded $0.7 million to research and development expenses in connection with the issuance of shares to vTv Therapeutics.

10. Income Taxes

The Company's loss before provision for income taxes were generated in the following jurisdictions (in thousands):

	YEAR ENDED DECEMBER 31, 2019
Domestic	$ (17,408)
Foreign	4,972
	$ (12,436)

For the year ended December 31, 2019, the Company recorded no provision for income taxes. The Company's effective tax rate differs from the federal statutory rate primarily due to the Global Intangible Low Tax Income (GILTI) inclusion, research and development credits and changes in the fair value of the preferred stock purchase right liability, offset by the full valuation allowance.

The components of net deferred taxes consisted of the following (in thousands):

	DECEMBER 31, 2019
Deferred tax assets:	
Net operating loss and credit carryforwards	$ 839
Compensation accruals	124
Other accruals and reserves	9
Intangible assets	3,564
Other	1
Gross deferred tax assets	4,537
Less valuation allowance	(4,527)
Total deferred tax assets	10
Deferred tax liabilities	
Depreciation	(10)
Net deferred tax assets (liabilities)	$ —

A reconciliation of income tax expense to the amount computed by applying the statutory federal income tax rate to the loss from operations is summarized for the year ended December 31, 2019, as follows:

	DECEMBER 31, 2019
Deferred income tax assets:	
U. S. Federal statutory income tax rate	21.0%
Foreign rate differential	0.9%
Other	-1.6%
Tax credits, net	0.8%
GILTI inclusion	-9.3%
Valuation allowance	-11.8%
Total tax provision	0.0%

The Company had federal net operating loss (NOL) carryforwards available of approximately $5.5 million as of December 31, 2019, before consideration of limitations under Section 382 of the Internal Revenue Code (Section 382), as further described below. The federal net operating losses generated after 2017 of $3.7 million will carry forward indefinitely. Net operating losses generated prior to 2018 of $1.6 million will begin to expire in 2034. Additionally, the Company had state NOL carryforwards available of $1.6 million as of December 31, 2019. The state NOLs may be used to offset future taxable income and will begin to expire in 2034.

At December 31, 2019, the Company had federal and state tax credit carry forwards of approximately $152,000 and $94,000, respectively. The Company has not performed a formal research and development credit study with respect to these credits. The federal credits will begin to expire in 2034, if unused, and the state credits carry forward indefinitely.

The future utilization of the Company's NOL and tax credit carryforwards to offset future taxable income may be subject to a substantial annual limitation as a result of changes in ownership by stockholders that hold 5% or more of the Company's common stock. An assessment of such ownership changes under Section 382 was not completed through December 31, 2019. To the extent that an assessment is completed in the future, the Company's ability to utilize tax attributes could be restricted on a year-by-year basis and certain attributes could expire before they are utilized. The Company will examine the impact of any potential ownership changes in the future.

The Company has established a full valuation allowance for its deferred tax assets due to uncertainties that preclude it from determining that it is more likely than not that the Company will be able to generate sufficient taxable income to realize such assets. Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets. A significant piece of objective negative evidence evaluated was the cumulative loss incurred over the three-year period ended December 31, 2019. Such objective evidence limits the ability to consider other subjective evidence such as the Company's projections for future growth. Based on this evaluation, as of December 31, 2019, a full valuation allowance of $4.5 million has been recorded against the Company net deferred tax assets, as the Company has determined that none of the Company's balance of deferred tax assets is more likely than not to be realized. The amount of the deferred tax assets considered realizable, however, could be adjusted in the future if objective negative evidence in the form of cumulative losses is no longer present and additional weight is given to subjective evidence, such as estimates of future taxable income during carryforward periods and the Company's projections for growth.

The following table summarizes the changes to unrecognized tax benefits (in thousands):

	DECEMBER 31, 2019
Beginning balance of unrecognized tax benefits	$ 555
Additions based on tax positions related to the current year	100
Reductions for tax positions in prior years	(487)
Ending balance of unrecognized tax benefits	$ 168

The amount of the unrecognized tax benefits that would impact the effective tax rate, absent the valuation allowance, would be $162,000. Due to the full valuation allowance, the impact, however, is zero. At December 31, 2019, the Company has not accrued any interest or penalties related to uncertain tax positions. The Company does not anticipate that there will be a significant change in the amount of unrecognized tax benefits over the next twelve months. The Company recognizes interest and penalties related to uncertain tax positions in income tax expense.

The Company is subject to taxation in the United States and the UK. The Company's federal and state returns since Inception are subject to examination due to the carryover of net operating losses. The Company has not been, nor is it currently, under examination by any tax authorities. The UK tax returns from 2019 forward are subject to examination by the UK tax authorities.

11. Commitments and contingencies

Operating Leases

In June 2018, the Company leased certain office space for its U.S. headquarters under a non-cancelable operating lease with terms through July 2023, with an option to extend the terms for the entire premises for a period of five years. The rent expense in the United States for the year ended December 31, 2019 totaled $183,000.

In December 2018, the Company leased certain office space for its UK subsidiary under a non-cancelable operating lease with lease terms through November 2021. The rent expense in the UK for the year ended December 31, 2019 totaled $24,000.

Future annual minimum payments under the non-cancelable operating leases are as follows as of December 31, 2019 (in thousands):

YEAR ENDING DECEMBER 31,	
2020	$214
2021	213
2022	197
2023	118
Total minimum lease payments	$742

Legal Proceedings

The Company is currently not a party to any legal proceedings, nor is the Company aware of any threatened or pending litigations. However, from time to time in the future, the Company could be involved in disputes, including litigation, relating to claims arising out of operations in the normal course of business, which may have a material adverse effect on the Company's consolidated results of operations or financial position.

401(k) Plan

The Company maintains a defined contribution 401(k) plan available to eligible employees. Employee contributions are voluntary and are determined on an individual basis, limited to the maximum amount allowable under federal tax regulations. Matching contributions to the 401(k) plan are made for certain eligible employees to meet non-discrimination provisions of the plan. During the year ended December 31, 2019, the expense recorded by the Company was immaterial.

12. Subsequent Events

In January 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve. As such, it is uncertain as to the full magnitude of the impact that the pandemic will have on the Company's financial condition, liquidity and future results of operations. Management is actively monitoring the global situation and the potential impact on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Company is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2020.

In March 2020, the U.S. government enacted the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which includes modifications to the limitation on business interest expense and net operating loss provisions and provides a payment delay of employer payroll taxes during 2020 after the date of enactment. The Company is currently evaluating the impact of the CARES Act on its financial statements and related disclosures.

In November 2020, the Company hired a new chief executive officer under an agreement to provide for at-will employment that set forth the initial base salary, annual performance bonus opportunity, initial equity grant amount and eligibility for employee benefits. In addition, the newly hired chief executive officer is also entitled to receive a special performance bonus in the amount of $7.5 million, payable in cash, common stock or a combination of cash and common stock, in the event that (i) the Company's market value exceeds $750 million utilizing the volume-weighted average of the closing sale price of its common stock on the Nasdaq Stock Market or other principal exchange for each of the 30 trading days immediately prior to the measurement date, or (ii) the fair market value of the net proceeds available for distribution to the Company's stockholders in connection with a change in control as defined in the Company's severance benefit plan, as determined in good faith by its board of directors, exceeds $750 million.

In December 2020, the Company and certain investors entered into a Series B preferred stock purchase agreement, whereby the Company issued 23,440,514 shares of Series B convertible preferred stock at $2.0215 per share for total gross proceeds of approximately $47.4 million, which constituted the closing of the first tranche of the Series B convertible preferred stock. In connection with the closing of the first tranche of Series B convertible preferred stock in December 2020, the Company issued rights to the purchasers for the purchase of an additional 23,440,514 shares of Series B convertible preferred stock under the same terms and conditions upon the board of directors' (including a majority of the directors elected by the holders of Series A convertible preferred stock and Series B convertible preferred stock) determination of either (i) that the cash balance of the Company is below $10 million or (ii) approving the Company's initial public offering of shares of its common stock pursuant to a registration statement under the Securities Act of 1933, as amended.

In January 2021, the Company issued stock options to purchase 8,784,754 shares of common stock with an exercise price of $1.09 per share.

The Company evaluated all events or transactions that occurred after the balance sheet date of December 31, 2019 through February 12, 2021, the date on which these consolidated financial statements were available to be issued.

Shares

Common Stock

PROSPECTUS

Jefferies
SVB Leerink
Piper Sandler

, 2021

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Unless otherwise indicated, all references to “Reneo,” the “company,” “we,” “our,” “us” or similar terms refer to Reneo Pharmaceuticals, Inc. and its subsidiaries.

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth all expenses to be paid by us, other than underwriting discounts and commissions, in connection with this offering. All amounts shown are estimates except for the Securities and Exchange Commission (SEC) registration fee, the Financial Industry Regulatory Authority, Inc. (FINRA) filing fee and the exchange listing fee.

SEC registration fee	$ *
FINRA filing fee	*
Exchange listing fee	*
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Transfer agent and registrar fees	*
Miscellaneous expenses	*
Total	$ *

* To be provided by amendment.

Item 14. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law authorizes a court to award, or a corporation’s board of directors to grant, indemnity to directors and officers in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities, including reimbursement for expenses incurred, arising under the Securities Act of 1933, as amended (the Securities Act). Our amended and restated certificate of incorporation that will be in effect upon the closing of this offering permits indemnification of our directors, officers, employees and other agents to the maximum extent permitted by the Delaware General Corporation Law, and our amended and restated bylaws that will be in effect upon the closing of this offering provide that we will indemnify our directors and officers and permit us to indemnify our employees and other agents, in each case to the maximum extent permitted by the Delaware General Corporation Law.

We have entered into indemnification agreements with our directors and officers, whereby we have agreed to indemnify our directors and officers to the fullest extent permitted by law, including indemnification against expenses and liabilities incurred in legal proceedings to which the director or officer was, or is threatened to be made, a party by reason of the fact that such director or officer is or was a director, officer, employee, or agent of Reneo Pharmaceuticals, Inc., provided that such director or officer acted in good faith and in a manner that the director or officer reasonably believed to be in, or not opposed to, the best interest of Reneo Pharmaceuticals, Inc.

At present, there is no pending litigation or proceeding involving a director or officer of Reneo Pharmaceuticals, Inc. regarding which indemnification is sought, nor is the registrant aware of any threatened litigation that may result in claims for indemnification.

We maintain insurance policies that indemnify our directors and officers against various liabilities arising under the Securities Act and the Securities Exchange Act of 1934, as amended, that might be incurred by any director or officer in his capacity as such.

The underwriters are obligated, under certain circumstances, under the underwriting agreement to be filed as Exhibit 1.1 to this Registration Statement, to indemnify us and our officers and directors against liabilities under the Securities Act.

Item 15. Recent Sales of Unregistered Securities.

Set forth below is information regarding unregistered securities issued by us since January 1, 2018. Also included is the consideration received by us for such securities and information relating to the section of the Securities Act, or rule of the SEC, under which exemption from registration was claimed.

(a) Issuances of Capital Stock

1. In January 2018, we issued an aggregate of 9,722,222 shares of Series A convertible preferred stock to a total of seven accredited investors at a purchase price of $2.16 per share, for aggregate consideration of $20,999,999.52.

2. In January 2018, we issued 392,518 shares of common stock to vTv Therapeutics, pursuant to the terms of the vTv License Agreement, as partial consideration for the license rights granted to us under such agreement.

3. In May 2019, we issued an aggregate of 11,574,075 shares of Series A convertible preferred stock to a total of seven accredited investors at a purchase price of $2.16 per share, for aggregate consideration of $25,000,002.00.

4. In May 2019, we issued 801,659 shares of common stock to vTv Therapeutics pursuant to the terms of the vTv License Agreement as partial consideration for the license rights granted to us under such agreement.

5. In December 2020, we issued an aggregate of 23,440,514 shares of Series B convertible preferred stock to a total of 15 accredited investors at a purchase price of $2.0215 per share, for aggregate consideration of $47,384,999.11.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions, or a public offering. Unless otherwise specified above, we believe these transactions were exempt from registration under the Securities Act in reliance on Section 4(a)(2) of the Securities Act (and Regulation D promulgated thereunder) to the extent such registration was required. The recipients of the securities in each of these transactions represented to us in connection with their purchase or issuance that they were accredited investors and their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed on the share certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about us. The sales of these securities were made without any general solicitation or advertising.

(b) Grants of Stock Options

1. From April 2018 to July 2018, we granted stock options to purchase an aggregate of 2,796,953 shares of our common stock at an exercise price of $0.44 per share, to certain of our employees, consultants and directors in connection with services provided to us by such persons.

2. From October 2018 to January 2019, we granted stock options to purchase an aggregate of 464,812 shares of our common stock at an exercise price of $0.51 per share, to certain employees, consultants and a director in connection with services provided to us by such persons.

3. From June 2019 to January 2020, we granted stock options to purchase an aggregate of 1,314,500 shares of our common stock at an exercise price of $0.84 per share, to certain of our employees, consultants and directors in connection with services provided to us by such persons.

4. In April 2020, we granted stock options to purchase an aggregate of 16,000 shares of our common stock at an exercise price of $0.98 per share, to certain of our employees and consultants in connection with services provided to us by such persons.

5. In January 2021, we granted stock options to purchase an aggregate of 8,784,754 shares of our common stock at an exercise price of $1.09 per share, to certain of our employees and directors in connection with services provided to us by such persons.

Of these options to purchase shares of our common stock, 257,640 have been exercised through the date hereof, each at exercise prices of $0.44 per share.

The stock options and the common stock issuable upon the exercise of such options as described in this section (b) of Item 15 were issued pursuant to written compensatory plans or arrangements with our employees, directors, and consultants, in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 701 promulgated under the Securities Act or the exemption set forth in Section 4(a)(2) under the Securities Act and Regulation D promulgated thereunder relative to transactions by an issuer not involving any public offering. All recipients either received adequate information about us or had access, through employment or other relationships, to such information.

All of the foregoing securities are deemed restricted securities for purposes of the Securities Act. All certificates representing the issued shares of capital stock described in this Item 15 included appropriate legends setting forth that the securities had not been registered and the applicable restrictions on transfer.

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits.

EXHIBIT NUMBER	DESCRIPTION
1.1+	Form of Underwriting Agreement.
3.1	Amended and Restated Certificate of Incorporation, as currently in effect.
3.2+	Form of Amended and Restated Certificate of Incorporation, to be in effect upon the closing of the offering.
3.3	Amended and Restated Bylaws, as currently in effect.
3.4+	Form of Amended and Restated Bylaws, to be in effect upon the closing of the offering.
4.1+	Form of Common Stock Certificate.
4.2	Amended and Restated Investors' Rights Agreement, by and among the Registrant and certain of its stockholders, dated December 9, 2020.
5.1+	Opinion of Cooley LLP.
10.1†	Reneo Pharmaceuticals, Inc. 2014 Equity Incentive Plan, as amended, and UK Sub-Plan.
10.2†	Forms of Grant Notice, Stock Option Agreement and Notice of Exercise under the Reneo Pharmaceuticals, Inc. 2014 Equity Incentive Plan, as amended, and UK Sub-Plan.
10.3+†	Reneo Pharmaceuticals, Inc. 2021 Equity Incentive Plan.
10.4+†	Forms of Grant Notice, Stock Option Agreement and Notice of Exercise under the Reneo Pharmaceuticals, Inc. 2021 Equity Incentive Plan.
10.5+†	Forms of Restricted Stock Unit Grant Notice and Award Agreement under the Reneo Pharmaceuticals, Inc. 2021 Equity Incentive Plan.
10.6+†	Reneo Pharmaceuticals, Inc. 2021 Employee Stock Purchase Plan.
10.7+†	Reneo Pharmaceuticals, Inc. 2021 Non-Employee Director Compensation Policy.
10.8+†	Form of Indemnification Agreement by and between the Registrant and its directors and executive officers.
10.9†	Reneo Pharmaceuticals, Inc. Severance Benefit Plan and form of Participation Agreement thereunder.
10.10†	Employment Agreement by and between the Registrant and Gregory J. Flesher, dated November 2, 2020.
10.11†	Letter Agreement by and between the Registrant and Niall O'Donnell, Ph.D., dated February 1, 2018.
10.12†	Employment Agreement by and between the Registrant and Wendy Johnson, dated February 1, 2018.

EXHIBIT NUMBER	DESCRIPTION
10.13†	Employment Agreement by and between the Registrant and Alejandro Dorenbaum, M.D., dated January 1, 2018.
10.14†	Employment Agreement by and between the Registrant and Michael Cruse, dated November 20, 2020.
10.15†	Offer Letter by and between the Registrant and Deborah Tower, dated January 15, 2018.
10.16†	Letter Agreement by and between the Registrant and Michael Grey, dated February 12, 2018.
10.17*	License Agreement by and between the Registrant and vTv Therapeutics LLC, dated December 21, 2017.
10.18†	Letter Agreement by and between the Registrant and Lon Cardon, Ph.D., dated January 30, 2019.
21.1	Subsidiaries of the Registrant.
23.1+	Consent of Ernst & Young LLP, independent registered public accounting firm.
23.2+	Consent of Cooley LLP (included in Exhibit 5.1).
24.1+	Power of Attorney (see signature pages).

+ To be filed by amendment.
* Pursuant to Item 601(b)(10) of Regulation S-K, certain portions of this exhibit have been omitted by means of marking such portions with asterisks because the Registrant has determined that the information is not material and would likely cause competitive harm to the Registrant if publicly disclosed.
† Indicates management contract or compensatory plan.

(b) Financial Statement Schedules.

All financial statement schedules are omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or the notes thereto.

Item 17. Undertakings.

(h) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant under the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit, or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(i) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act will be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time will be deemed to be the initial bona fide offering thereof.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in San Diego, California on , 2021.

RENEO PHARMACEUTICALS, INC.

By: _____
Name: Gregory J. Flesher
Title: President & Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Gregory J. Flesher and Deborah J. Tower and each one of them, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in their name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to sign any registration statement for the same offering covered by this registration statement that is to be effective on filing pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and all post-effective amendments thereto, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
_____ Gregory J. Flesher	Chief Executive Officer and President (Principal Executive Officer)	, 2021
_____ Deborah J. Tower	VP, Finance and Administration (Principal Financial and Accounting Officer)	, 2021
_____ Michael Grey	Executive Chairman	, 2021
_____ Lon Cardon, Ph.D.	Director	, 2021
_____ Kenneth Harrison, Ph.D.	Director	, 2021
_____ Johan Kördel, Ph.D.	Director	, 2021
_____ Edward T. Mathers	Director	, 2021

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SIGNATURE	TITLE	DATE
Bali Muralidhar, M.D, Ph.D.	Director	, 2021
Niall O'Donnell, Ph.D.	Director	, 2021
Stacey D. Seltzer	Director	, 2021

RENEO PHARMACEUTICALS, INC.

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

Reneo Pharmaceuticals, Inc., 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 name of this corporation is Reneo Pharmaceuticals, Inc. This corporation was originally incorporated pursuant to the General Corporation Law on September 22, 2014.*

2. *The Board of Directors of this corporation duly adopted resolutions proposing to amend and restate the Amended and Restated Certificate of Incorporation of this corporation, as amended, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:*

RESOLVED, that the Amended and Restated Certificate of Incorporation of this corporation, as amended, be amended and restated in its entirety to read as set forth on Exhibit A attached hereto and incorporated herein by this reference.

Exhibit A referred to in the resolution above is attached hereto as Exhibit A and is hereby incorporated herein by this reference.

3. This Amended and Restated Certificate of Incorporation was approved by the holders of the requisite number of shares of this corporation in accordance with Section 228 of the General Corporation Law.

4. This Amended and Restated Certificate of Incorporation, which restates, integrates and further amends the provisions of this corporation's Amended and Restated Certificate of Incorporation, as amended, has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law.

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this corporation on this 7th day of December, 2020.

By: /s/ Gregory J. Flesher
Gregory J. Flesher
President and Chief Executive Officer

Exhibit A

RENEO PHARMACEUTICALS, INC.

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

ARTICLE I: NAME.

The name of this corporation is Reneo Pharmaceuticals, Inc. (the "***Corporation***").

ARTICLE II: REGISTERED OFFICE.

The address of the registered office of the Corporation in the State of Delaware is 160 Greentree Drive, Suite 101, City of Dover, County of Kent, Delaware 19904. The name of its registered agent at such address is National Registered Agents, Inc.

ARTICLE III: PURPOSE.

The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

ARTICLE IV: CAPITAL STOCK.

The total number of shares of all classes of stock which the Corporation shall have authority to issue is (a) 105,000,000 shares of Common Stock, $0.0001 par value per share ("***Common Stock***"), and (b) 71,183,500 shares of Preferred Stock, $0.0001 par value per share ("***Preferred Stock***"). As of the effective date of this Amended and Restated Certificate of Incorporation (this "***Restated Certificate***"), (a) 24,302,472 shares of the authorized Preferred Stock of the Corporation are hereby designated "Series A Preferred Stock" (the "***Series A Preferred Stock***") and (b) 46,881,028 shares of the authorized Preferred Stock of the Corporation are hereby designated "Series B Preferred Stock" (the "***Series B Preferred Stock***").

The following is a statement of the designations and the rights, powers and preferences, and the qualifications, limitations or restrictions thereof, in respect of each class of capital stock of the Corporation.

A. COMMON STOCK

1. **General.** The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. **Voting.** The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings). Unless required by law, there shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one or more series of Preferred Stock that may be required by the terms of this Restated Certificate) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions

of Section 242(b)(2) of the General Corporation Law and without a separate class vote of the holders of the Common Stock.

B. PREFERRED STOCK

The following rights, powers and preferences, and restrictions, qualifications and limitations, shall apply to the Preferred Stock. Unless otherwise indicated, references to "Sections" in this Part B of this Article IV refer to sections of this Part B.

1. Dividends.

1.1 Non-Cumulative Preferred Stock Dividend Preference. The Corporation shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Corporation (other than (a) dividends on shares of Common Stock payable in shares of Common Stock or (b) a Permitted Repurchase (as defined below)) in any calendar year unless (in addition to the obtaining of any consents required elsewhere in this Restated Certificate) the holders of the Preferred Stock then outstanding shall first receive, or simultaneously receive, on a pari passu basis, out of funds legally available therefor, a dividend on each outstanding share of Preferred Stock in an amount equal to 8% of the applicable Original Issue Price (as defined below) per share of such Preferred Stock. The foregoing dividends shall not be cumulative and shall be paid when, as and if declared by the Board of Directors of the Corporation (the "***Board***"), including the affirmative consent of a majority of the Preferred Directors (as defined below) (the "***Requisite Board Members***"). The "***Original Issue Price***" for (i) the Series A Preferred Stock shall mean $2.16 per share and (ii) the Series B Preferred Stock shall mean $2.0215 per share, in each case subject to appropriate adjustment in the event of any stock splits and combinations of shares and for dividends paid on the Series A Preferred Stock and/or Series B Preferred Stock in shares of such stock.

1.2 Participation. If, after dividends in the full preferential amount specified in Section 1.1 for the Preferred Stock have been paid or set apart for payment in any calendar year of the Corporation, the Board shall declare additional dividends out of funds legally available therefor in that calendar year, then such additional dividends shall be declared pro rata on the Common Stock and the Preferred Stock on a pari passu basis according to the number of shares of Common Stock held by such holders. For this purpose each holder of shares of Preferred Stock is to be treated as holding the greatest whole number of shares of Common Stock then issuable upon conversion of all shares of Preferred Stock held by such holder pursuant to Sections 4 and 5.

1.3 Non-Cash Dividends. Whenever a dividend provided for in this Section 1 shall be payable in property other than cash, the value of such dividend shall be deemed to be the fair market value of such property as determined in good faith by the Board, including the affirmative consent of the Requisite Board Members.

2. Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales.

2.1 Payments to Holders of Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or any Deemed Liquidation Event (as defined below), before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, the holders of shares of each series of Preferred Stock then

outstanding, on a pari passu basis, shall be entitled to be paid out of the funds and assets available for distribution to its stockholders, an amount per share equal to the greater of (a) the Original Issue Price for such series of Preferred Stock, plus any dividends declared but unpaid thereon, or (b) such amount per share as would have been payable had all shares of such series of Preferred Stock been converted into Common Stock pursuant to Sections 4 and 5 immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event (the amount payable pursuant to this sentence is hereinafter referred to as the "***Preferred Stock Liquidation Amount***"). If upon any such liquidation, dissolution, winding up or Deemed Liquidation Event of the Corporation, the funds and assets available for distribution to the stockholders of the Corporation shall be insufficient to pay the holders of shares of Preferred Stock the full amounts to which they are entitled under this Section 2.1, the holders of shares of Preferred Stock shall share ratably in any distribution of the funds and assets available for distribution in proportion to the respective amounts that would otherwise be payable in respect of the shares of Preferred Stock held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.2 Payments to Holders of Common Stock. In the event of any voluntary or involuntary liquidation, dissolution, winding up or Deemed Liquidation Event of the Corporation, after the payment of all preferential amounts required to be paid to the holders of shares of Preferred Stock as provided in Section 2.1, the remaining funds and assets available for distribution to the stockholders of the Corporation shall be distributed among the holders of shares of Common Stock, pro rata based on the number of shares of Common Stock held by each such holder.

2.3 Deemed Liquidation Events.

2.3.1 Definition. Each of the following events shall be considered a "***Deemed Liquidation Event***" unless the holders of a majority of the outstanding shares of Preferred Stock, voting together as a single class on an as-converted basis, which must include the approval of the Significant Investor Majority (as defined in that certain Amended and Restated Investors' Rights Agreement dated on or about the Original Issue Date (as defined below) by and among the Corporation and the other parties thereto, as amended from time to time) elect otherwise by written notice sent to the Corporation at least five days prior to the effective date of any such event:

(a) a merger or consolidation (each a "***Combination***") in which (i) the Corporation is a constituent party or (ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such Combination, except any such Combination involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such Combination continue to represent, or are converted into or exchanged for equity securities that represent, immediately following such Combination, a majority, by voting power, of the equity securities of (1) the surviving or resulting entity or (2) if the surviving or resulting entity is a wholly owned subsidiary of another entity immediately following such Combination, the parent of such surviving or resulting entity; *provided* that, for the purpose of this Section 2.3.1, all shares of Common Stock issuable upon exercise of Options (as defined in Section 5.1 below) outstanding immediately prior to such Combination or upon conversion of Convertible Securities (as defined in Section 5.1 below) outstanding immediately prior to such Combination shall be deemed to be outstanding immediately prior to such Combination and, if applicable, deemed to be converted or exchanged in such

Combination on the same terms as the actual outstanding shares of Common Stock are converted or exchanged;

(b) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary or subsidiaries of the Corporation, of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, except where such sale, lease, transfer, exclusive license or other disposition is made to the Corporation or one or more wholly owned subsidiaries of the Corporation; or

(c) the closing of the transfer (whether by merger, consolidation or otherwise), in a single transaction or series of related transactions, to a person or group of affiliated persons (other than an underwriter of the Corporation's securities), of the Corporation's securities if, after such closing, such person or group of affiliated persons would hold 50% or more of the outstanding voting stock of the Corporation (or the surviving or acquiring entity).

Notwithstanding the foregoing, the sale of the Corporation's securities by the Corporation in a *bona fide* equity financing for capital raising purposes shall not constitute a Deemed Liquidation Event.

2.3.2 Effecting a Deemed Liquidation Event.

(a) The Corporation shall not have the power to effect a Deemed Liquidation Event referred to in Subsection 2.3.1(a)(i) unless the agreement or plan of merger or consolidation for such transaction (the "***Merger Agreement***") provides that the consideration payable to the stockholders of the Corporation shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2.

(b) In the event of a Deemed Liquidation Event referred to in Subsection 2.3.1(a)(ii) or 2.3.1(b), if the Corporation does not effect a dissolution of the Corporation under the General Corporation Law within 90 days after such Deemed Liquidation Event, then (i) the Corporation shall send a written notice to each holder of Preferred Stock no later than the 90th day after the Deemed Liquidation Event advising such holders of their right (and the requirements to be met to secure such right) pursuant to the terms of the following clause (ii) to require the redemption of such shares of Preferred Stock, and (ii) if the holders of a majority of the then outstanding shares of Preferred Stock, voting together as a single class on an as-converted basis, so request in a written instrument delivered to the Corporation not later than 120 days after such Deemed Liquidation Event, the Corporation shall use the consideration received by the Corporation for such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board), together with any other assets of the Corporation available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders (the "***Available Proceeds***"), on the 150th day after such Deemed Liquidation Event (the "***Redemption Date***"), to redeem all outstanding shares of Preferred Stock at a price per share equal to the applicable Preferred Stock Liquidation Amount. The Preferred Stock Liquidation Amount payable to the holders of shares of Preferred Stock to be redeemed pursuant to the preceding sentence is referred to herein as the "***Preferred Stock Redemption Price***" and notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to redeem all outstanding shares of Preferred Stock, the Corporation shall ratably redeem each holder's shares of Preferred Stock, on a pari passu basis, to the fullest extent of such Available

Proceeds, and shall redeem the remaining shares as soon as it may lawfully do so under Delaware law governing distributions to stockholders. Prior to the distribution or redemption provided for in this Section 2.3.2(b), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in connection with such Deemed Liquidation Event. A redemption of the Preferred Stock pursuant to this Section 2.3.2(b) shall be effected in accordance with Section 2.3.2(c), below.

(c) Redemption Following a Deemed Liquidation Event.

(i) Redemption Notice. The Corporation shall send written notice of the redemption (the "***Redemption Notice***") to each holder of record of Preferred Stock not less than 20 days prior to the Redemption Date. Each Redemption Notice shall state: (A) the number of shares of Preferred Stock held by such holder that the Corporation shall redeem on the Redemption Date specified in the Redemption Notice; (B) the Redemption Date and the applicable Preferred Stock Redemption Price for each series of such holder's shares of Preferred Stock; (C) the date upon which the holder's right to convert shares of Preferred Stock terminates (as determined in accordance with Section 4.1); and (D) that the holder is to surrender to the Corporation, in the manner and at the place designated in the Redemption Notice, his, her or its certificate or certificates representing the shares of Preferred Stock to be redeemed.

(ii) Surrender of Certificates; Payment. On or before the Redemption Date, each holder of shares of Preferred Stock to be redeemed on the Redemption Date (unless such holder has exercised his, her or its right to convert such shares as provided in Section 4) shall surrender the certificate or certificates representing such shares (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation, in the manner and at the place designated in the Redemption Notice, and thereupon the applicable Preferred Stock Redemption Price for such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof.

(iii) Rights Subsequent to Redemption. If the Redemption Notice shall have been duly given, and if on the applicable Redemption Date the applicable Preferred Stock Redemption Price payable upon redemption of the shares of Preferred Stock to be redeemed on such Redemption Date is paid or tendered for payment or deposited with an independent payment agent so as to be available therefor in a timely manner, then notwithstanding that the certificates evidencing any of the shares of Preferred Stock so called for redemption shall not have been surrendered, all rights with respect to such shares of

Preferred Stock shall forthwith after the Redemption Date terminate, except only the right of the holders to receive the applicable Preferred Stock Redemption Price without interest, upon surrender of their certificate or certificates therefor.

2.3.3 Amount Deemed Paid or Distributed. The funds and assets deemed paid or distributed to the holders of capital stock of the Corporation upon any such Deemed Liquidation Event shall be the cash or the value of the property, rights or securities paid or distributed to such holders by the Corporation or the acquiring person, firm or other entity. If the amount deemed paid or distributed under this Section 2.3.2 is made in property other than in cash, the value of such distribution shall be the fair market value of such property, as determined in good faith by the Board (including the affirmative consent of the Requisite Board Members); *provided*, *however*, that the following shall apply. For securities not subject to investment letters or other similar restrictions on free marketability:

(a) if traded on a securities exchange, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the 30-day period ending three days prior to the closing of such transaction;

(b) if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid prices over the 30-day period ending three days prior to the closing of such transaction; or

(c) if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board (including the affirmative consent of the Requisite Board Members).

The method of valuation of securities subject to investment letters or other similar restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) shall take into account an appropriate discount (as determined in good faith by the Board) from the market value as determined pursuant to clauses (a) and (b) above so as to reflect the approximate fair market value thereof.

The foregoing methods for valuing non-cash consideration to be distributed in connection with a Deemed Liquidation Event shall, with the appropriate approval of the definitive agreements governing such Deemed Liquidation Event by the stockholders under the General Corporation Law and Section 3.3, be superseded by the determination of such value set forth in the definitive agreements governing such Deemed Liquidation Event.

2.3.4 Allocation of Escrow and Contingent Consideration. In the event of a Deemed Liquidation Event, if any portion of the consideration payable to the stockholders of the Corporation is payable only upon satisfaction of contingencies (the "***Additional Consideration***"), the Merger Agreement shall provide that (a) the portion of such consideration that is not Additional Consideration (such portion, the "***Initial Consideration***") shall be allocated among the holders of capital stock of the Corporation in accordance with Sections 2.1 and 2.2 as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event; and (b) any Additional Consideration which becomes payable to the stockholders of the Corporation upon satisfaction of such contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Sections 2.1 and 2.2 after taking into account the

previous payment of the Initial Consideration as part of the same transaction. For the purposes of this Section 2.3.4, consideration placed into escrow or retained as holdback to be available for satisfaction of indemnification or similar obligations in connection with such Deemed Liquidation Event shall be deemed to be Additional Consideration.

3. Voting.

3.1 General. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Fractional votes shall not be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Preferred Stock held by each holder could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward). Except as provided by law or by the other provisions of this Restated Certificate, holders of Preferred Stock shall vote together with the holders of Common Stock as a single class on an as-converted basis, shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and shall be entitled, notwithstanding any provision hereof, to notice of any stockholders' meeting in accordance with the Amended and Restated Bylaws of the Corporation (the "***Bylaws***").

3.2 Election of Directors.

3.2.1 Election. The holders of record of the shares of Series B Preferred Stock, exclusively and as a separate class, shall be entitled to elect three directors of the Corporation (the "***Series B Directors***"). The holders of record of the shares of Series A Preferred Stock, exclusively and as a separate class, shall be entitled to elect three directors of the Corporation (together with the Series B Directors, the "***Preferred Directors***"). The holders of record of the shares of Common Stock, exclusively and as a separate class, shall be entitled to elect two directors of the Corporation. The holders of record of the shares of Common Stock and of every other class or series of voting stock (including the Preferred Stock), voting together as a single class on an as-converted basis, shall be entitled to elect the remaining number of directors of the Corporation.

3.2.2 Vacancies Not Caused by Removal. If any vacancy in the office of any director exists, such vacancy may be filled (either contingently or otherwise) by the stockholders as specified in this Section 3.2 or by a majority of the members of the Board then in office, although less than a quorum, or by a sole remaining member of the Board then in office, even if such directors or such sole remaining director were not elected by the holders of the class, classes or series that are entitled to elect a director or directors to office under the provisions of Section 3.2.1 (the "***Specified Stock***") and such electing director or directors shall specify at the time of such election the specific vacant directorship being filled, and, for the avoidance of doubt, prior to the time the first share of Series B Preferred Stock is issued and sold, the vacancies in the office of the Series B Directors may be filled (either contingently or otherwise) by a majority of the then-serving directors; provided, however, that where such vacancy occurs among the directors elected by Specified Stock, the holders of such Specified Stock may override the Board's action to fill such vacancy by (i) voting for their own designee to fill such vacancy at a meeting of the

Corporation's stockholders or (ii) written consent, if the consenting stockholders hold a sufficient number of shares to elect their designee at a meeting of the stockholders.

3.2.3 Vacancies Caused by Removal. Any director elected as provided in Section 3.2.1 or 3.2.2 may be removed with or without cause by, and any vacancy in the office of any such removed director may be filled by, and only by, the affirmative vote of the holders of the shares of the Specified Stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders.

3.2.4 Procedure. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of the Specified Stock entitled to elect such director shall constitute a quorum for the purpose of electing such director and the candidate or candidates to be elected by such Specified Stock shall be those who receive the highest number of affirmative votes (on an as-converted basis) of the outstanding shares of such Specified Stock. In the case of an action taken by written consent without a meeting, the candidate or candidates to be elected by such Specified Stock shall be those who are elected by the written consent of the holders of a majority of such Specified Stock.

3.3 Preferred Stock Protective Provisions. For so long as any shares of Preferred Stock remain outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, recapitalization, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or this Restated Certificate) the written consent, or affirmative vote at a meeting, of the holders of a majority of the then outstanding shares of Preferred Stock, consenting or voting together as a single class on an as-converted basis, which must include the approval of the Significant Investor Majority, and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect:

(a) amend, alter or repeal any provision of this Restated Certificate or the Bylaws;

(b) increase the authorized number of shares of Common Stock or Preferred Stock;

(c) authorize, designate or issue (by reclassification or otherwise) any new class or series of capital stock, or any other equity or debt securities convertible into equity securities of the Corporation, ranking on a parity with or senior to the existing Preferred Stock in right of redemption, liquidation preference, voting or dividends, or increase the authorized or designated number of any such new class or series of capital stock;

(d) redeem or repurchase any shares of Common Stock, other than (i) shares purchased pursuant to the exercise of a right of first refusal in favor of the Corporation, which exercise has been approved by the Board (including the Requisite Board Members) or (ii) shares repurchased pursuant to an agreement with an employee, consultant, director or other service provider to the Corporation or any of its wholly owned subsidiaries (collectively, "***Service Providers***") giving the Corporation the right to repurchase shares upon the termination of services at a price that is at or below the original

purchase price, in either case, pursuant to a contractual arrangement (collectively, the "***Permitted Repurchases***");

(e) effect an Acquisition (as defined below) or enter into any agreement regarding a Deemed Liquidation Event, or consent, agree or commit to any of the foregoing without conditioning such consent, agreement or commitment upon obtaining the approval required by this Section 3.3;

(f) declare or pay any dividend or otherwise make a distribution to holders of Preferred Stock or Common Stock, other than (i) dividends on shares of Common Stock payable in shares of Common Stock or (ii) pursuant to a Permitted Repurchase;

(g) voluntarily dissolve or liquidate the Corporation or effect any reclassification or recapitalization of the outstanding capital stock of the Corporation;

(h) increase or decrease the authorized number of directors constituting the Board;

(i) make any borrowing, loan or guarantee in excess of $500,000, unless approved by the Board (including the Requisite Board Members);

(j) enter into any agreement regarding the exclusive license of the Corporation's intellectual property except in the case where such exclusive license is not for all or substantially all fields of use and has been approved by the Board (including the Requisite Board Members);

(k) effect any transaction with a related person (as such term is defined in Item 404 of Regulation S-K), unless approved by the Board (including a disinterested majority of directors);

(l) create any non-wholly-owned subsidiaries of the Corporation; or

(m) create, issue, sell or sponsor any cyptocurrency, decentralized application tokens, protocol tokens, blockchain-based assets or other cyptofinance coins, tokens or similar digital assets by the Corporation or any direct or indirect majority-owned subsidiary of the Corporation.

3.4 Series B Preferred Stock Protective Provisions. For so long as any shares of Series B Preferred Stock remain outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, recapitalization, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or this Restated Certificate) the written consent, or affirmative vote at a meeting, of the holders of at least 60% of the then outstanding shares of Series B Preferred Stock, consenting or voting as a separate class, and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect:

(a) amend, alter, change or repeal any provision of this Restated Certificate or the Bylaws in a manner that alters or changes the voting or other powers, preferences, or other special rights, privileges or restrictions of the Series B Preferred Stock (whether by merger, consolidation or otherwise) so as to affect the Series B Preferred Stock adversely and in a manner different than any other series of Preferred Stock (it being understood that the Series B Preferred Stock shall not be affected differently because of the proportional differences in the amounts of respective issue prices, liquidation preferences and redemption prices that arise out of differences in the original issue price vis-à-vis other series of Preferred Stock); or

(b) increase the authorized number of shares of Series B Preferred Stock.

3.5 Series A Preferred Stock Protective Provisions. For so long as any shares of Series A Preferred Stock remain outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, recapitalization, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or this Restated Certificate) the written consent, or affirmative vote at a meeting, of the holders of a majority of the then outstanding shares of Series A Preferred Stock, consenting or voting as a separate class, and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect:

(a) amend, alter, change or repeal any provision of this Restated Certificate or the Bylaws in a manner that alters or changes the voting or other powers, preferences, or other special rights, privileges or restrictions of the Series A Preferred Stock (whether by merger, consolidation or otherwise) so as to affect the Series A Preferred Stock adversely and in a manner different than any other series of Preferred Stock (it being understood that the Series A Preferred Stock shall not be affected differently because of the proportional differences in the amounts of respective issue prices, liquidation preferences and redemption prices that arise out of differences in the original issue price vis-à -vis other series of Preferred Stock); or

(b) increase the authorized number of shares of Series A Preferred Stock.

4. Conversion Rights. The holders of the Preferred Stock shall have conversion rights as follows (the "***Conversion Rights***"):

4.1 Right to Convert.

4.1.1 Conversion Ratio. Each share of a series of Preferred Stock shall be convertible, at the option of the holder thereof, at any time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing the Original Issue Price for such series of Preferred Stock by the Conversion Price (as defined below) for such series of Preferred Stock in effect at the time of conversion. The "***Conversion Price***" for each series of Preferred Stock shall initially mean the Original Issue Price for such series of Preferred Stock. Such initial Conversion Price, and the

rate at which shares of Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided in Section 5.

4.1.2 Notice of Conversion. In order for a holder of Preferred Stock to voluntarily convert shares of Preferred Stock into shares of Common Stock, such holder shall surrender the certificate or certificates for such shares of Preferred Stock (or, if such registered holder alleges that any such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent), together with written notice that such holder elects to convert all or any number of the shares of the Preferred Stock represented by such certificate or certificates and, if applicable, any event on which such conversion is contingent (a "***Contingency Event***"). Such notice shall state such holder's name or the names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form reasonably satisfactory to the Corporation, duly executed by the registered holder or such holder's attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such certificates (or lost certificate affidavit and agreement) and notice (or, if later, the date on which all Contingency Events have occurred) shall be the time of conversion (the "***Conversion Time***"), and the shares of Common Stock issuable upon conversion of the shares represented by such certificate shall be deemed to be outstanding of record as of such time. If the conversion is in connection with an underwritten offering of securities registered pursuant to the Securities Act of 1933, as amended (the "***Securities Act***"), the conversion may, at the option of any holder tendering Preferred Stock for conversion, be conditioned upon the closing with the underwriters of the sale of securities pursuant to such offering, in which event the persons entitled to receive the Common Stock upon conversion of the Preferred Stock shall not be deemed to have converted such Preferred Stock until immediately prior to the closing of such sale of securities. The Corporation shall, as soon as practicable after the Conversion Time, (a) issue and deliver to such holder of Preferred Stock, or to such holder's nominee(s), a certificate or certificates for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof and a certificate for the number (if any) of the shares of Preferred Stock represented by the surrendered certificate that were not converted into Common Stock, (b) pay in cash such amount as provided in Section 5.7.3 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and (c) pay all declared but unpaid dividends on the shares of Preferred Stock converted.

4.1.3 Effect of Voluntary Conversion. All shares of Preferred Stock that shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor, to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion as provided in Section 5.7.3 and to receive payment of any dividends declared but unpaid thereon. Any shares of Preferred Stock so converted shall be retired and cancelled and may not be reissued.

4.2 Mandatory Conversion.

4.2.1 Automatic Conversion. Upon either (a) the closing of the sale of shares of Common Stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act (I) resulting in at least $75,000,000 of gross proceeds to the Corporation (before deduction of underwriters' commissions and expenses) and (II) with a per share offering price reflecting a pre-money fully-diluted valuation of at least $275 million (such offering including (I) and (II) together, a "***Qualified IPO***") or (b) the date and time, or the occurrence of an event, specified by vote or written consent of the holders of a majority of the outstanding shares of Preferred Stock at the time of such vote or consent, voting together as a single class on an as-converted basis, which must include the approval of the Significant Investor Majority (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "***Mandatory Conversion Time***"), (i) all outstanding shares of Preferred Stock shall automatically be converted into shares of Common Stock, at the applicable ratio described in Section 4.1.1 as the same may be adjusted from time to time in accordance with Section 5 and (ii) such shares of Preferred Stock may not be reissued by the Corporation.

4.2.2 Mandatory Conversion Procedural Requirements.

(a) All holders of record of shares of Preferred Stock shall be sent written notice of the Mandatory Conversion Time and the place designated for mandatory conversion of all such shares of Preferred Stock pursuant to Sections 4.2.1 and 10. Unless otherwise provided in this Restated Certificate, such notice need not be sent in advance of the occurrence of the Mandatory Conversion Time. Upon receipt of such notice, each holder of shares of Preferred Stock shall surrender such holder's certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice, and shall thereafter receive certificates for the number of shares of Common Stock to which such holder is entitled pursuant to this Section 4.2.

(b) If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form reasonably satisfactory to the Corporation, duly executed by the registered holder or by such holder's attorney duly authorized in writing. All rights with respect to the Preferred Stock converted pursuant to this Section 4.2, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender the certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section 4.2.2(b). As soon as practicable after the Mandatory Conversion Time and the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for Preferred Stock, the Corporation shall issue and deliver to such holder, or to such holder's nominee(s), a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in Section 5.7.3 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of

Preferred Stock converted. Such converted Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock (and the applicable series thereof) accordingly.

5. Adjustments to Conversion Price.

5.1 Adjustments for Diluting Issuances.

5.1.1 Special Definitions. For purposes of this Article IV, the following definitions shall apply:

(a) "***Additional Shares of Common Stock***" with respect to a series of Preferred Stock means all shares of Common Stock issued (or, pursuant to Section 5.1.2 below, deemed to be issued) by the Corporation after the Original Issue Date, other than the following shares of Common Stock and shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (collectively as to all such shares and shares deemed issued, "***Exempted Securities***"):

(i) shares of Common Stock or Options, including but not limited to stock appreciation rights payable in shares of Common Stock or in Options or Convertible Securities, granted or issued to Service Providers pursuant to a plan, agreement or arrangement approved by the Board (including the Requisite Board Members);

(ii) shares of Common Stock or Preferred Stock (or any Options therefor) issued to leasing companies, landlords, company advisors, lenders or other providers of goods and services to the Corporation, in each case, approved by the Board (including the Requisite Board Members);

(iii) shares of Common Stock or Preferred Stock (or any Options therefor) issued pursuant to a (A) bona fide acquisition of another entity by the Corporation by merger or consolidation with such other entity, (B) purchase of assets of, or purchase of more than fifty percent of the outstanding equity securities of, another entity (any of the transactions in clauses (A)-(B), an "***Acquisition***"), or (C) joint venture agreement, development project or other strategic transaction, in each case, approved by the Board (including the Requisite Board Members);

(iv) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other distribution on or subdivision of shares of Common Stock that is covered by Section 5.2, 5.3, 5.4, 5.5 or 5.6;

(v) shares of Common Stock issued in a Qualified IPO;

(vi) shares of Common Stock, Options or Convertible Securities issued pursuant to warrants, notes, or other rights to acquire securities of the Corporation outstanding as of the Original Issue Date;

(vii) shares of Common Stock to be issued upon the conversion of Preferred Stock;

(viii) shares of Series B Preferred Stock issued pursuant to and in accordance with the Series B SPA (as defined below); or

(ix) shares of Common Stock, Options or Convertible Securities issued in a transaction not otherwise described herein which are excluded from this provision by the vote or written consent of the holders of a majority of the then outstanding shares of Preferred Stock, voting together as a single class on an as-converted basis, which must include the approval of the Significant Investor Majority.

(b) "***Convertible Securities***" means any evidences of indebtedness, shares or other securities issued by the Corporation that are directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options.

(c) "***Option***" means any right, option, restricted stock unit or warrant to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities from the Corporation.

(d) "***Original Issue Date***" means the date on which the first share of Series B Preferred Stock is issued.

5.1.2 Deemed Issue of Additional Shares of Common Stock.

(a) If the Corporation at any time or from time to time after the Original Issue Date shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which are themselves Exempted Securities) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability (including the passage of time) but without regard to any provision contained therein for a subsequent adjustment of such number including by way of anti-dilution adjustment) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(b) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to the Conversion Price of a series of Preferred Stock pursuant to the terms of Section 5.1.3, are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (i) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security or (ii) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective, the Conversion Price of such series of Preferred Stock computed upon the original issue of such Option or Convertible Security (or upon the

occurrence of a record date with respect thereto) shall be readjusted to such Conversion Price of such series of Preferred Stock as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this Section 5.1.2 shall have the effect of increasing the Conversion Price of a series of Preferred Stock to an amount which exceeds the lower of (1) the Conversion Price for such series of Preferred Stock in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (2) the Conversion Price for such series of Preferred Stock that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(c) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities that are themselves Exempted Securities), the issuance of which did not result in an adjustment to the Conversion Price of a series of Preferred Stock pursuant to the terms of Section 5.1.3 (either because the consideration per share (determined pursuant to Section 5.1.4) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Conversion Price of such series of Preferred Stock then in effect, or because such Option or Convertible Security was issued before the Original Issue Date), are revised after the Original Issue Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (i) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (ii) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Section 5.1.2(a)) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(d) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) that resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to the Conversion Price of a series of Preferred Stock pursuant to the terms of Section 5.1.3, the Conversion Price of such series of Preferred Stock shall be readjusted to such Conversion Price of such series of Preferred Stock as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(e) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to the Conversion Price of a series of Preferred Stock provided for in this Section 5.1.2 shall be effected at the time of such issuance or amendment based on such number of shares or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in Sections 5.1.2(b) and 5.1.2(c)). If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable

to the Corporation upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such Option or Convertible Security is issued or amended, any adjustment to such Conversion Price that would result under the terms of this Section 5.1.2 at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to such Conversion Price that such issuance or amendment took place at the time such calculation can first be made.

5.1.3 Issuance of Additional Shares of Common Stock. In the event the Corporation shall at any time after the Original Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 5.1.2), without consideration or for a consideration per share less than the Conversion Price for such series of Preferred Stock in effect immediately prior to such issue, then such Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-thousandth of a cent) determined in accordance with the following formula:

$$CP_2 = CP_1 * (A + B) \div (A + C).$$

For purposes of the foregoing formula, the following definitions shall apply:

"CP_2" shall mean the applicable Conversion Price of a series of Preferred Stock in effect immediately after such issue or deemed issue of Additional Shares of Common Stock;

"CP_1" shall mean the applicable Conversion Price of a series of Preferred Stock in effect immediately prior to such issue or deemed issue of Additional Shares of Common Stock;

"A" shall mean the number of shares of Common Stock outstanding immediately prior to such issue or deemed issue of Additional Shares of Common Stock (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issue or upon conversion or exchange of Convertible Securities (including the Preferred Stock) outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue);

"B" shall mean the number of shares of Common Stock that would have been issued or deemed issued if such Additional Shares of Common Stock had been issued at a price per share equal to CP_1 (determined by dividing the aggregate consideration received by the Corporation in respect of such issue by CP_1); and

"C" shall mean the number of such Additional Shares of Common Stock actually issued or deemed issued in such transaction.

5.1.4 Determination of Consideration. For purposes of this Section 5.1, the consideration received by the Corporation for the issue or deemed issue of any Additional Shares of Common Stock shall be computed as follows:

(a) Cash and Property: Such consideration shall:

(i) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation, excluding amounts paid or payable for accrued interest;

(ii) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board (including the affirmative consent of the Requisite Board Members); and

(iii) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (i) and (ii) above, as determined in good faith by the Board (including the affirmative consent of the Requisite Board Members).

(b) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Section 5.1.2, relating to Options and Convertible Securities, shall be determined by dividing:

(i) the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(ii) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities.

5.1.5 Multiple Closing Dates. In the event the Corporation shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to the Conversion Price of a series of Preferred Stock pursuant to the terms of Section 5.1.3 and such issuance dates occur within a period of no more than 120 days after the first such issuance to the final such issuance, then, upon the final such issuance, the Conversion Price of such series of Preferred Stock shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period that are a part of such transaction or series of related transaction).

5.2 Adjustment for Stock Splits and Combinations. If the Corporation shall at any time or from time to time after the Original Issue Date effect a subdivision of the outstanding Common Stock, the Conversion Price for such series of Preferred Stock in effect immediately

before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If the Corporation shall at any time or from time to time after the Original Issue Date combine the outstanding shares of Common Stock, the Conversion Price for such series of Preferred Stock in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this Section 5.2 shall become effective at the close of business on the date the subdivision or combination becomes effective.

5.3 Adjustment for Certain Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the Conversion Price for such series of Preferred Stock in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying such Conversion Price then in effect by a fraction:

(a) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(b) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing, (i) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, such Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter such Conversion Price shall be adjusted pursuant to this Section 5.3 as of the time of actual payment of such dividends or distributions; and (ii) no such adjustment shall be made if the holders of such series of Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of such series of Preferred Stock had been converted into Common Stock on the date of such event.

5.4 Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock) and the provisions of Section 1 do not apply to such dividend or distribution, then and in each such event the holders of such series of Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities in an amount equal to the amount of such securities as they would have received if all outstanding shares of such series of Preferred Stock had been converted into Common Stock on the date of such event.

5.5 Adjustment for Reclassification, Exchange and Substitution. If, at any time or from time to time after the Original Issue Date, the Common Stock issuable upon the conversion of such series of Preferred Stock is changed into the same or a different number of shares of any class or classes of stock of the Corporation, whether by recapitalization, reclassification or otherwise (other than by a stock split or combination, dividend, distribution, merger or consolidation covered by Sections 5.2, 5.3, 5.4 or 5.6 or by Section 2.3 regarding a Deemed Liquidation Event), then in any such event each holder of such series of Preferred Stock shall have the right thereafter to convert such stock into the kind and amount of stock and other securities and property receivable upon such recapitalization, reclassification or other change by holders of the number of shares of Common Stock into which such shares of Preferred Stock could have been converted immediately prior to such recapitalization, reclassification or change.

5.6 Adjustment for Merger or Consolidation. Subject to the provisions of Section 2.3, if there shall occur any consolidation or merger involving the Corporation in which the Common Stock (but not a series of Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Sections 5.2, 5.3, 5.4 or 5.5), then, following any such consolidation or merger, provision shall be made that each share of such series of Preferred Stock shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of such series of Preferred Stock immediately prior to such consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board) shall be made in the application of the provisions in Section 4 and this Section 5 with respect to the rights and interests thereafter of the holders of such series of Preferred Stock, to the end that the provisions set forth in Section 4 and this Section 5 shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of such series of Preferred Stock. For the avoidance of doubt, nothing in this Section 5.6 shall be construed as preventing the holders of Preferred Stock from seeking any appraisal rights to which they are otherwise entitled in connection with a merger triggering an adjustment hereunder, nor shall this Section 5.6 be deemed conclusive evidence of the fair value of the shares of Preferred Stock in any such appraisal proceeding.

5.7 General Conversion Provisions.

5.7.1 Notice as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price of a series of Preferred Stock pursuant to this Section 5, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than 15 days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to such holder of such series of Preferred Stock a notice setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which such series of Preferred Stock is convertible) and setting forth the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of any series of Preferred Stock (but in any event not later than 10 days thereafter), furnish or cause to be furnished to such holder a notice setting forth (a) the Conversion Price of such series of Preferred Stock then in effect and (b) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of such series of Preferred Stock.

5.7.2 Reservation of Shares. The Corporation shall at all times while any share of Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Preferred Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Preferred Stock, the Corporation shall take such corporate action as may be reasonably necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes.

5.7.3 Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair value of a share of Common Stock as determined in good faith by the Board. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares of Preferred Stock the holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

5.7.4 No Further Adjustment after Conversion. Upon any conversion of shares of Preferred Stock into Common Stock, no adjustment to the Conversion Price of the applicable series of Preferred Stock shall be made with respect to the converted shares for any declared but unpaid dividends on such series of Preferred Stock or on the Common Stock delivered upon conversion.

5A. Special Mandatory Conversion.

5A.1. Trigger Event. Subject to Section 4 of the Series B SPA, if the Milestone Closing (as defined below) shall occur, in the event that any Purchaser (as defined in the Series B SPA) fails to purchase at least a number of shares of Series B Preferred Stock equal to such Purchaser's Milestone Closing Share Amount (as defined in the Series B SPA) at the Milestone Closing (including any Milestone Shares (as defined in the Series B SPA) purchased prior to the Milestone Closing in any Voluntary Closing(s) (as defined in the Series B SPA)) in accordance with the terms of the Series B SPA, then each share of Preferred Stock held by such Purchaser on the date of the Milestone Closing shall automatically, and without any further action on the part of such Purchaser, be converted into shares of Common Stock at the applicable Conversion Price for such share of Preferred Stock in effect immediately prior to the consummation of the Milestone Closing, effective upon, subject to, and concurrently with, the consummation of the Milestone Closing. For purposes of determining the number of shares of Series B Preferred Stock a Purchaser has purchased in the Milestone Closing, all shares of Series B Preferred Stock purchased in the Milestone Closing by Affiliates (as defined below) of such Purchaser in the Milestone Closing shall be aggregated with the shares of Series B Preferred Stock purchased by such Purchaser in the Milestone Closing (provided that no shares or securities shall be attributed to more than one entity or person within any such group of affiliated entities or persons). Such conversion is referred to as a "***Special Mandatory Conversion***."

5A.2. Procedural Requirements. Upon a Special Mandatory Conversion, each holder of shares of Preferred Stock converted pursuant to Subsection 5A.1 shall be sent written notice of such Special Mandatory Conversion and the place designated for mandatory conversion

of all such shares of Preferred Stock pursuant to this Section 5A. Upon receipt of such notice, each holder of such shares of Preferred Stock in certificated form shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that any such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Preferred Stock converted pursuant to Section 5A.1, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the time of the Special Mandatory Conversion (notwithstanding the failure of the holder or holders thereof to surrender any certificates for such shares at or prior to such time), except only the rights of the holders thereof, upon surrender of any certificate or certificates of such holders therefor (or lost certificate affidavit and agreement), to receive the items provided for in the next sentence of this Subsection 5A.2. As soon as practicable after the Special Mandatory Conversion and, if applicable, the surrender of any certificate or certificates (or lost certificate affidavit and agreement) for Preferred Stock so converted, the Corporation shall (a) issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof and (b) pay cash as provided in Section 4.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of Preferred Stock converted. Such converted Preferred Stock shall be retired and cancelled and may not be reissued as shares of such applicable series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of such applicable series of Preferred Stock accordingly.

5A.3. Restriction on Transfer**.** So as not to abrogate the intent of this Section 5A, no Purchaser may sell, transfer, assign, pledge, or otherwise dispose of or encumber any shares of Preferred Stock or any right or interest therein, whether voluntarily or by operation of law, or by gift or otherwise at any time prior to the earlier of (i) consummation of the Milestone Closing or (ii) 18 months following the execution of the Series B SPA, without the prior written consent of the Board; *provided* that, notwithstanding the foregoing, a Purchaser shall be permitted to transfer shares of Preferred Stock to Affiliates.

5A.4. Definitions. For purposes of this Section 5A, the following definitions shall apply:

5A.4.1 "***Affiliate***" shall mean, with respect to any Purchaser, any person, entity or firm which, directly or indirectly, controls, is controlled by or is under common control with such Purchaser, including, without limitation, any entity of which the Purchaser is a partner or member, any general partner, officer, director, member or employee of such Purchaser and any venture capital fund now or hereafter existing of which the Purchaser is a partner or member which is controlled by or under common control with one or more general partners of such Purchaser or shares the same management company with such Purchaser. For purposes of clarity, (i) a

minority limited partner in a venture capital fund shall not be an Affiliate of such venture capital fund and (ii) Rock Springs Capital Master Fund LP and Four Pines Master Fund LP shall be considered Affiliates of each other. Notwithstanding the foregoing, where the term "Purchaser" refers to Novo Holdings A/S ("***Novo***"), in lieu of the foregoing definition, the term "Affiliate" shall mean Novo Ventures (US) Inc. and Novo Holdings Equity US Inc. (collectively with Novo, the "***Novo Entities***"), any partner, executive officer or director of the Novo Entities or any venture capital fund or other person now or hereafter existing formed for the purpose of making investments in other persons that is controlled by or under common control with a Novo Entity, and for the avoidance of doubt, shall not include any other affiliate of the Novo Entities.

5A.4.2 "***Milestone Closing***" shall have the meaning set forth in the Series B SPA.

5A.4.3 "***Series B SPA***" mean that certain Series B Preferred Stock Purchase Agreement, dated on or about the Original Issue Date, by and among the Corporation and certain stockholders party thereto, as the same may be amended from time to time.

6. Redemption. Except as set forth in Section 2.3, the Preferred Stock shall not be redeemable.

7. No Reissuance of Redeemed or Otherwise Acquired Preferred Stock. Any shares of Preferred Stock that are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately retired and shall not be reissued, sold or transferred.

8. Waiver. Any of the rights, powers, preferences and other terms of the Series A Preferred Stock, the Series B Preferred Stock or the Preferred Stock as a class that are set forth herein may be waived (i) with respect to the Series A Preferred Stock, on behalf of all holders of Series A Preferred Stock by the affirmative written consent or vote of the holders of a majority of the shares of Series A Preferred Stock that are then outstanding, (ii) with respect to the Series B Preferred Stock, on behalf of all holders of Series B Preferred Stock by the affirmative written consent or vote of the holders of at least 60% of the shares of Series B Preferred Stock that are then outstanding, and (iii) with respect to the Preferred Stock as a class by the affirmative written consent or vote of the holders of a majority of the then outstanding shares of Preferred Stock, voting together as a single class on an as-converted basis, which must include the approval of the Significant Investor Majority.

9. Notice of Record Date. In the event:

(a) the Corporation shall set a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(b) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or

(c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation,

then, and in each such case, the Corporation will send or cause to be sent to the holders of the Preferred Stock a notice specifying, as the case may be, (i) the record date for such dividend, distribution or subscription right, and the amount and character of such dividend, distribution or subscription right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Preferred Stock and the Common Stock. Such notice shall be sent (A) at least 20 days prior to the earlier of the record date or effective date for the event specified in such notice or (B) such fewer number of days as may be approved the holders of a majority of the outstanding shares of Preferred Stock acting as a single class on an as-converted basis, which must include the approval of the Significant Investor Majority.

10. Notices. Except as otherwise provided herein, any notice required or permitted by the provisions of this Article IV to be given to a holder of shares of Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation for such holder, given by the holder to the Corporation for the purpose of notice or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission. If no such address appears or is given, notice shall be deemed given at the place where the principal executive office of the Corporation is located.

ARTICLE V: PREEMPTIVE RIGHTS.

No stockholder of the Corporation shall have a right to purchase shares of capital stock of the Corporation sold or issued by the Corporation except to the extent that such a right may from time to time be set forth in a written agreement between the Corporation and any stockholder.

ARTICLE VI: STOCK REPURCHASES

Subject to any consent requirements contained in this Restated Certificate, and in accordance with applicable law, a distribution can be made without regard to any preferential dividends arrears amount or any preferential rights amount (as those terms are defined under applicable law) in connection with (a) repurchases of Common Stock issued to or held by employees, officers, directors or consultants of the Corporation or its subsidiaries upon termination of their employment or services pursuant to agreements providing for the right of said repurchase, (b) repurchases of Common Stock issued to or held by employees, officers, directors or consultants of the Corporation or its subsidiaries pursuant to rights of first refusal contained in agreements providing for such right, (c) repurchases of Common Stock or Preferred Stock in connection with the settlement of disputes with any stockholder, or (d) any other repurchase or redemption of

Common Stock or Preferred Stock approved by the holders of a majority of the outstanding shares of Preferred Stock of the Corporation, which must include the approval of the Significant Investor Majority.

ARTICLE VII: BYLAW PROVISIONS.

A. AMENDMENT OF BYLAWS. Subject to any additional vote required by this Restated Certificate or the Bylaws, in furtherance and not in limitation of the powers conferred by statute, the Board is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of the Corporation.

B. NUMBER OF DIRECTORS. Subject to any additional vote required by this Restated Certificate, the number of directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation.

C. BALLOT. Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

D. MEETINGS AND BOOKS. Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board or in the Bylaws of the Corporation.

ARTICLE VIII: DIRECTOR LIABILITY.

A. LIMITATION. To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article VIII to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended.

B. INDEMNIFICATION. To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which General Corporation Law permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law.

C. MODIFICATION. Any amendment, repeal or modification of the foregoing provisions of this Article VIII shall not adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal or modification.

ARTICLE IX: CORPORATE OPPORTUNITIES.

The Corporation renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any Excluded

Opportunity. An "***Excluded Opportunity***" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of, (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Preferred Stock or any partner, member, director, stockholder, employee or agent of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, "***Covered Persons***"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Corporation.

ARTICLE X: CREDITOR AND STOCKHOLDER COMPROMISES

Whenever a compromise or arrangement is proposed between the Corporation and its creditors or any class of them and/or between the Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of the Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for the Corporation under the provisions of §291 of Title 8 of the General Corporation Law or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under §279 of Title 8 of the General Corporation Law, order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of the Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of the Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of the Corporation as a consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of the Corporation, as the case may be, and also on the Corporation.

ARTICLE XI: FORUM SELECTION

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall 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 fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the Delaware General Corporation Law or the Corporation's certificate of incorporation or bylaws or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within 10 days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction. If any provision or provisions of this Article XI 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 provisions in any other circumstance and of the remaining provisions of this Article XI

(including, without limitation, each portion of any sentence of this Article XI 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 and circumstances shall not in any way be affected or impaired thereby.

* * * * * * * * * * *

Exhibit 3.3

AMENDED AND RESTATED BYLAWS

OF

RENEO PHARMACEUTICALS, INC.
(A DELAWARE CORPORATION)

AMENDED AND RESTATED BYLAWS

OF

RENEO PHARMACEUTICALS, INC.
(A DELAWARE CORPORATION)

ADOPTED AND EFFECTIVE AS OF DECEMBER 22, 2017

ARTICLE I

OFFICES

Section 1. Registered Office. The registered office of the corporation in the State of Delaware shall be in the City of Dover, County of Kent.

Section 2. Other Offices. The corporation shall also have and maintain an office or principal place of business at such place as may be fixed by the Board of Directors, and may also have offices at such other places, both within and without the State of Delaware, as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II

CORPORATE SEAL

Section 3. Corporate Seal. The Board of Directors may adopt a corporate seal. The corporate seal shall consist of a die bearing the name of the corporation and the inscription, "Corporate Seal-Delaware." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE III

STOCKHOLDERS' MEETINGS

Section 4. Place of Meetings. Meetings of the stockholders of the corporation may be held at such place, either within or without the State of Delaware, as may be determined from time to time by the Board of Directors. The Board of Directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication as provided under the Delaware General Corporation Law ("DGCL").

Section 5. Annual Meeting.

(a) The annual meeting of the stockholders of the corporation, for the purpose of election of directors and for such other business as may lawfully come before it, shall be held

on such date and at such time as may be designated from time to time by the Board of Directors. Nominations of persons for election to the Board of Directors of the corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders: (i) pursuant to the corporation's notice of meeting of stockholders; (ii) by or at the direction of the Board of Directors; or (iii) by any stockholder of the corporation who was a stockholder of record at the time of giving of notice provided for in the following paragraph, who is entitled to vote at the meeting and who complied with the notice procedures set forth in Section 5.

(b) At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 5(a) of these Bylaws, (i) the stockholder must have given timely notice thereof in writing to the Secretary of the corporation, (ii) such other business must be a proper matter for stockholder action under the DGCL, (iii) if the stockholder, or the beneficial owner on whose behalf any such proposal or nomination is made, has provided the corporation with a Solicitation Notice (as defined in this Section 5(b)), such stockholder or beneficial owner must, in the case of a proposal, have delivered 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 any such proposal, or, in the case of a nomination or nominations, have delivered a proxy statement and form of proxy to holders of a percentage of the corporation's voting shares reasonably believed by such stockholder or beneficial owner to be sufficient to elect the nominee or nominees proposed to be nominated by such stockholder, and must, in either case, have included in such materials the Solicitation Notice, and (iv) if no Solicitation Notice relating thereto has been timely provided pursuant to this section, the stockholder or beneficial owner proposing such business or nomination must not have solicited a number of proxies sufficient to have required the delivery of such a Solicitation Notice under this Section 5. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the corporation not later than the close of business 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 advanced more than 30 days prior to or delayed by more than 30 days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the one 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 tenth day following the day on which public announcement of the date of such meeting is first made. In no event shall the public announcement of an adjournment of an annual meeting commence a new time period for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth: (A) as to each person whom the stockholder proposed to nominate for election or reelection as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "1934 Act") and Rule 14a-4(d) thereunder (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); (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 reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial

owner, if any, on whose behalf the proposal is made; and (C) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the corporation's books, and of such beneficial owner, (ii) the class and number of shares of the corporation which are owned beneficially and of record by such stockholder and such beneficial owner, and (iii) whether either such stockholder or beneficial owner intends to deliver a proxy statement and form of proxy to holders of, in the case of the proposal, at least the percentage of the corporation's voting shares required under applicable law to carry the proposal or, in the case of a nomination or nominations, a sufficient number of holders of the corporation's voting shares to elect such nominee or nominees (an affirmative statement of such intent, a "Solicitation Notice").

(c) Notwithstanding anything in the second sentence of Section 5(b) of these Bylaws to the contrary, in the event that the number of directors to be elected to the Board of Directors of the corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the corporation at least 100 days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 5 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 tenth day following the day on which such public announcement is first made by the corporation.

(d) Only such persons who are nominated in accordance with the procedures set forth in this Section 5 shall be eligible to serve as directors and only such 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 5. Except as otherwise provided by law, the Chairman of the meeting shall have the power and duty to determine whether a nomination or any 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 these Bylaws and, if any proposed nomination or business is not in compliance with these Bylaws, to declare that such defective proposal or nomination shall not be presented for stockholder action at the meeting and shall be disregarded.

(e) Notwithstanding the foregoing provisions of this Section 5, in order to include information with respect to a stockholder proposal in the proxy statement and form of proxy for a stockholders' meeting, stockholders must provide notice as required by the regulations promulgated under the 1934 Act. Nothing in these Bylaws shall be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation proxy statement pursuant to Rule 14a-8 under the 1934 Act.

(f) For purposes of this Section 5, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the 1934 Act.

Section 6. Special Meetings.

(a) Special meetings of the stockholders of the corporation may be called, for any purpose or purposes, by (i) the Chairman of the Board of Directors, (ii) the Chief Executive Officer, (iii) the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board of Directors for adoption) or (iv) by the holders of shares entitled to cast not less than 20% of the votes at the meeting, and shall be held at such place, on such date, and at such time as the Board of Directors shall fix. At any time or times that the corporation is subject to Section 2115(b) of the California General Corporation Law ("CGCL"), stockholders holding 5% or more of the outstanding shares shall have the right to call a special meeting of stockholders as set forth in Section 18(b) herein.

(b) If a special meeting is properly called by any person or persons other than the Board of Directors, the request shall be in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by certified or registered mail, return receipt requested, or by telegraphic or other facsimile transmission to the Chairman of the Board of Directors, the Chief Executive Officer, or the Secretary of the corporation. No business may be transacted at such special meeting otherwise than specified in such notice. The Board of Directors shall determine the time and place of such special meeting, which shall be held not less than 35 nor more than 120 days after the date of the receipt of the request. Upon determination of the time and place of the meeting, the officer receiving the request shall cause notice to be given to the stockholders entitled to vote, in accordance with the provisions of Section 7 of these Bylaws. Nothing contained in this paragraph (b) shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board of Directors may be held.

Section 7. Notice of Meetings. Except as otherwise provided by law, notice, given in writing or by electronic transmission, of each meeting of stockholders shall be given not less than ten nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting, such notice to specify the place, if any, date and hour, in the case of special meetings, the purpose or purposes 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 any such meeting. If mailed, notice is given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation. Notice of the time, place, if any, and purpose of any meeting of stockholders may be waived in writing, signed by the person entitled to notice thereof or by electronic transmission by such person, either before or after such meeting, and will be waived by any stockholder by his attendance thereat in person, by remote communication, if applicable, or by proxy, except when the stockholder 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. Any stockholder so waiving notice of such meeting shall be bound by the proceedings of any such meeting in all respects as if due notice thereof had been given.

Section 8. Quorum. At all meetings of stockholders, except where otherwise provided by statute or by the Certificate of Incorporation, or by these Bylaws, the presence, in person, by remote communication, if applicable, or by proxy duly authorized, of the holders of a

majority of the outstanding shares of stock entitled to vote shall constitute a quorum for the transaction of business. In the absence of a quorum, any meeting of stockholders may be adjourned, from time to time, either by the chairman of the meeting or by vote of the holders of a majority of the shares represented thereat, but no other business shall be transacted at such meeting. The stockholders present at a duly called or convened meeting, at which a quorum is present, may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Except as otherwise provided by statute, or by the Certificate of Incorporation or these Bylaws, in all matters other than the election of directors, the affirmative vote of a majority of shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and entitled to vote generally on the subject matter shall be the act of the stockholders. Except as otherwise provided by statute, the Certificate of Incorporation or these Bylaws, directors shall be elected by a plurality of the votes of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and entitled to vote generally on the election of directors. Where a separate vote by a class or classes or series is required, except where otherwise provided by the statute or by the Certificate of Incorporation or these Bylaws, a majority of the outstanding shares of such class or classes or series, present in person, by remote communication, if applicable, or represented by proxy duly authorized, shall constitute a quorum entitled to take action with respect to that vote on that matter. Except where otherwise provided by statute or by the Certificate of Incorporation or these Bylaws, the affirmative vote of the majority (plurality, in the case of the election of directors) of shares of such class or classes or series present in person, by remote communication, if applicable, or represented by proxy at the meeting shall be the act of such class or classes or series.

Section 9. Adjournment and Notice of Adjourned Meetings. Any meeting of stockholders, whether annual or special, may be adjourned from time to time either by the chairman of the meeting or by the vote of a majority of the shares present in person, by remote communication, if applicable, or represented by proxy. When a meeting is adjourned to another time or place, if any, notice need not be given of the adjourned meeting if the time and place, if any, thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 10. Voting Rights. For the purpose of determining those stockholders entitled to vote at any meeting of the stockholders, except as otherwise provided by law, only persons in whose names shares stand on the stock records of the corporation on the record date, as provided in Section 12 of these Bylaws, shall be entitled to vote at any meeting of stockholders. Every person entitled to vote or execute consents shall have the right to do so either in person, by remote communication, if applicable, or by an agent or agents authorized by a proxy granted in accordance with Delaware law. An agent so appointed need not be a stockholder. No proxy shall be voted after three years from its date of creation unless the proxy provides for a longer period.

Section 11. Joint Owners of Stock. If shares or other securities having voting power stand of record in the names of two or more persons, whether fiduciaries, members of a

partnership, joint tenants, tenants in common, tenants by the entirety, or otherwise, or if two or more persons have the same fiduciary relationship respecting the same shares, unless the Secretary is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect: (a) if only one votes, his act binds all; (b) if more than one votes, the act of the majority so voting binds all; (c) if more than one votes, but the vote is evenly split on any particular matter, each faction may vote the securities in question proportionally, or may apply to the Delaware Court of Chancery for relief as provided in the DGCL, Section 217(b). If the instrument filed with the Secretary shows that any such tenancy is held in unequal interests, a majority or even-split for the purpose of subsection (c) shall be a majority or even-split in interest.

Section 12. List of Stockholders. The Secretary shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders entitled to vote at said meeting, arranged in alphabetical order, showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or 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. The list shall be open to examination of any stockholder during the time of the meeting as provided by law.

Section 13. Action Without Meeting.

(a) Unless otherwise provided in the Certificate of Incorporation, any action required by statute to be taken at any annual or special meeting of the stockholders, or any action which may be taken at any annual or special meeting of the stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, or by electronic transmission setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

(b) Every written consent or electronic transmission shall bear the date of signature of each stockholder who signs the consent, and no written consent or electronic transmission shall be effective to take the corporate action referred to therein unless, within 60 days of the earliest dated consent delivered to the corporation in the manner herein required, written consents or electronic transmissions signed by a sufficient number of stockholders to take action are delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to a corporation’s registered office shall be by hand or by certified or registered mail, return receipt requested.

(c) Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented

in writing or by electronic transmission and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of stockholders to take action were delivered to the corporation as provided in Section 228(c) of the DGCL. If the action which is consented to is such as would have required the filing of a certificate under any section of the DGCL if such action had been voted on by stockholders at a meeting thereof, then the certificate filed under such section shall state, in lieu of any statement required by such section concerning any vote of stockholders, that written consent has been given in accordance with Section 228 of the DGCL.

(d) A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, shall be deemed to be written, signed and dated for the purposes of this section, provided that any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the corporation can determine (i) that the telegram, cablegram or other electronic transmission was transmitted by the stockholder or proxyholder or by a person or persons authorized to act for the stockholder and (ii) the date on which such stockholder or proxyholder or authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. No consent given by telegram, cablegram or other electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall be delivered to the corporation by delivery to its registered office in the state of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to a corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested. Notwithstanding the foregoing limitations on delivery, consents given by telegram, cablegram or other electronic transmission may be otherwise delivered to the principal place of business of the corporation or to an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded if, to the extent and in the manner provided by resolution of the board of directors of the corporation. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

Section 14. Organization.

(a) At every meeting of stockholders, the Chairman of the Board of Directors, or, if a Chairman has not been appointed or is absent, the President, or, if the President is absent, a chairman of the meeting chosen by a majority in interest of the stockholders entitled to vote, present in person or by proxy, shall act as chairman. The Secretary, or, in his absence, an Assistant Secretary directed to do so by the President, shall act as secretary of the meeting.

(b) The Board of Directors of the corporation shall be entitled to make such rules or regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairman of the meeting shall have the right and authority to prescribe such rules,

regulations and procedures and to do all such acts as, in the judgment of such chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in such meeting to stockholders of record of the corporation and their duly authorized and constituted proxies and such other persons as the chairman shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting on matters which are to be voted on by ballot. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with rules of parliamentary procedure.

ARTICLE IV

DIRECTORS

Section 15. Number and Term of Office. The authorized number of directors of the corporation shall be fixed by the Board of Directors from time to time. Directors need not be stockholders unless so required by the Certificate of Incorporation. If for any cause, the directors shall not have been elected at an annual meeting, they may be elected as soon thereafter as convenient.

Section 16. Powers. The business and affairs of the corporation shall be managed by or under the direction of the Board of Directors, except as may be otherwise provided by statute or by the Certificate of Incorporation.

Section 17. Term of Directors.

(a) Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, directors shall be elected at each annual meeting of stockholders to serve until the next annual meeting of stockholders and his successor is duly elected and qualified or until his death, resignation or removal. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(b) No person entitled to vote at an election for directors may cumulate votes to which such person is entitled, unless, at the time of such election, the corporation is subject to Section 2115(b) of the CGCL. During such time or times that the corporation is subject to Section 2115(b) of the CGCL, every stockholder entitled to vote at an election for directors may cumulate such stockholder’s votes and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which such stockholder’s shares are otherwise entitled, or distribute the stockholder’s votes on the same principle among as many candidates as such stockholder thinks fit. No stockholder, however, shall be entitled to so cumulate such stockholder’s votes unless (i) the names of such candidate or candidates have been placed in nomination prior to the voting and (ii) the stockholder has given notice at the

meeting, prior to the voting, of such stockholder's intention to cumulate such stockholder's votes. If any stockholder has given proper notice to cumulate votes, all stockholders may cumulate their votes for any candidates who have been properly placed in nomination. Under cumulative voting, the candidates receiving the highest number of votes, up to the number of directors to be elected, are elected.

Section 18. Vacancies.

(a) Unless otherwise provided in the Certificate of Incorporation, and subject to the rights of the holders of any series of Preferred Stock, any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other causes and any newly created directorships resulting from any increase in the number of directors shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled only by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board of Directors, or by a sole remaining director, *provided, however*, that whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the Certificate of Incorporation, vacancies and newly created directorships of such class or classes or series shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the director for which the vacancy was created or occurred and until such director's successor shall have been elected and qualified. A vacancy in the Board of Directors shall be deemed to exist under this Bylaw in the case of the death, removal or resignation of any director.

(b) At any time or times that the corporation is subject to §2115(b) of the CGCL, if, after the filling of any vacancy, the directors then in office who have been elected by stockholders shall constitute less than a majority of the directors then in office, then

(i) any holder or holders of an aggregate of 5% or more of the total number of shares at the time outstanding having the right to vote for those directors may call a special meeting of stockholders; or

(ii) the Superior Court of the proper county shall, upon application of such stockholder or stockholders, summarily order a special meeting of the stockholders, to be held to elect the entire board, all in accordance with Section 305(c) of the CGCL, the term of office of any director shall terminate upon that election of a successor.

Section 19. Resignation. Any director may resign at any time by delivering his or her notice in writing or by electronic transmission to the Secretary, such resignation to specify whether it will be effective at a particular time, upon receipt by the Secretary or at the pleasure of the Board of Directors. If no such specification is made, it shall be deemed effective at the pleasure of the Board of Directors. When one or more directors shall resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those

who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each Director so chosen shall hold office for the unexpired portion of the term of the Director whose place shall be vacated and until his successor shall have been duly elected and qualified.

Section 20. Removal.

(a) Subject to any limitations imposed by applicable law (and assuming the corporation is not subject to Section 2115 of the CGCL), the Board of Directors or any director may be removed from office at any time (i) with cause by the affirmative vote of the holders of a majority of the voting power of all then-outstanding shares of capital stock of the corporation entitled to vote generally at an election of directors or (ii) without cause by the affirmative vote of the holders of at least 66 2/3% of the voting power of all then-outstanding shares of capital stock of the corporation, entitled to elect such director.

(b) During such time or times that the corporation is subject to Section 2115(b) of the CGCL, the Board of Directors or any individual director may be removed from office at any time without cause by the affirmative vote of the holders of at least a majority of the outstanding shares entitled to vote on such removal; provided, however, that unless the entire Board is removed, no individual director may be removed when the votes cast against such director's removal, or not consenting in writing to such removal, would be sufficient to elect that director if voted cumulatively at an election which the same total number of votes were cast (or, if such action is taken by written consent, all shares entitled to vote were voted) and the entire number of directors authorized at the time of such director's most recent election were then being elected.

Section 21. Meetings

(a) Regular Meetings. Unless otherwise restricted by the Certificate of Incorporation, regular meetings of the Board of Directors may be held at any time or date and at any place within or without the State of Delaware which has been designated by the Board of Directors and publicized among all directors, either orally or in writing, including a voice-messaging system or other system designated to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means. No further notice shall be required for a regular meeting of the Board of Directors.

(b) Special Meetings. Unless otherwise restricted by the Certificate of Incorporation, special meetings of the Board of Directors may be held at any time and place within or without the State of Delaware whenever called by the Chairman of the Board, the President or any two of the directors.

(c) Meetings by Electronic Communications Equipment. Any member of the Board of Directors, or of any committee thereof, may participate in a meeting by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

(d) Notice of Special Meetings. Notice of the time and place of all special meetings of the Board of Directors shall be orally or in writing, by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means, during normal business hours, at least 24 hours before the date and time of the meeting. If notice is sent by US mail, it shall be sent by first class mail, postage prepaid at least three days before the date of the meeting. Notice of any meeting may be waived in writing or by electronic transmission at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends the 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.

(e) Waiver of Notice. The transaction of all business at any meeting of the Board of Directors, or any committee thereof, however called or noticed, or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present and if, either before or after the meeting, each of the directors not present who did not receive notice shall sign a written waiver of notice or shall waive notice by electronic transmission. All such waivers shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 22. Quorum and Voting.

(a) Unless the Certificate of Incorporation requires a greater number, a quorum of the Board of Directors shall consist of a majority of the exact number of directors fixed from time to time by the Board of Directors in accordance with the Certificate of Incorporation; *provided, however,* at any meeting, whether a quorum be present or otherwise, a majority of the directors present may adjourn from time to time until the time fixed for the next regular meeting of the Board of Directors, without notice other than by announcement at the meeting.

(b) At each meeting of the Board of Directors at which a quorum is present, all questions and business shall be determined by the affirmative vote of a majority of the directors present, unless a different vote be required by law, the Certificate of Incorporation or these Bylaws.

Section 23. Action Without 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 of any committee thereof may be taken without a meeting, if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission, and such writing or writings or transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 24. Fees and Compensation. Directors shall be entitled to such compensation for their services as may be approved by the Board of Directors, including, if so approved, by resolution of the Board of Directors, a fixed sum and expenses of attendance, if

any, for attendance at each regular or special meeting of the Board of Directors and at any meeting of a committee of the Board of Directors. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise and receiving compensation therefor.

Section 25. Committees.

(a) Executive Committee. The Board of Directors may appoint an Executive Committee to consist of one or more members of the Board of Directors. The Executive Committee, to the extent permitted by law and provided in the resolution of the Board of Directors 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 (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopting, amending or repealing any bylaw of the corporation.

(b) Other Committees. The Board of Directors may, from time to time, appoint such other committees as may be permitted by law. Such other committees appointed by the Board of Directors shall consist of one or more members of the Board of Directors and shall have such powers and perform such duties as may be prescribed by the resolution or resolutions creating such committees, but in no event shall any such committee have the powers denied to the Executive Committee in these Bylaws.

(c) Term. The Board of Directors, subject to any requirements of any outstanding series of Preferred Stock and the provisions of subsections (a) or (b) of this Bylaw may at any time increase or decrease the number of members of a committee or terminate the existence of a committee. The membership of a committee member shall terminate on the date of his death or voluntary resignation from the committee or from the Board of Directors. The Board of Directors may at any time for any reason remove any individual committee member and the Board of Directors may fill any committee vacancy created by death, resignation, removal or increase in the number of members of the committee. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee, and, in addition, in the absence or disqualification of any member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he 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.

(d) Meetings. Unless the Board of Directors shall otherwise provide, regular meetings of the Executive Committee or any other committee appointed pursuant to this Section 25 shall be held at such times and places as are determined by the Board of Directors, or by any such committee, and when notice thereof has been given to each member of such committee, no further notice of such regular meetings need be given thereafter. Special meetings of any such committee may be held at any place which has been determined from time to time by such committee, and may be called by any director who is a member of such committee, upon notice to the members of such committee of the time and place of such special meeting given in

the manner provided for the giving of notice to members of the Board of Directors of the time and place of special meetings of the Board of Directors. Notice of any special meeting of any committee may be waived in writing at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends such special 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. Unless otherwise provided by the Board of Directors in the resolutions authorizing the creation of the committee, a majority of the authorized number of members of any such committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of such committee.

Section 26. Organization. At every meeting of the directors, the Chairman of the Board of Directors, or, if a Chairman has not been appointed or is absent, the President, or if the President is absent, the most senior Vice President, (if a director) or, in the absence of any such person, a chairman of the meeting chosen by a majority of the directors present, shall preside over the meeting. The Secretary, or if the Secretary is absent, any Assistant Secretary directed to do so by the President, shall act as secretary of the meeting.

ARTICLE V

OFFICERS

Section 27. Officers Designated. The officers of the corporation shall include, if and when designated by the Board of Directors, the Chief Executive Officer, the President, one or more Vice Presidents, the Secretary, the Chief Financial Officer, the Treasurer and the Controller, all of whom shall be appointed at the annual organizational meeting of the Board of Directors. The Board of Directors may also appoint one or more Assistant Secretaries, Assistant Treasurers, Assistant Controllers and such other officers and agents with such powers and duties as it shall deem necessary. The Board of Directors may assign such additional titles to one or more of the officers as it shall deem appropriate. Any one person may hold any number of offices of the corporation at any one time unless specifically prohibited therefrom by law. The salaries and other compensation of the officers of the corporation shall be fixed by or in the manner designated by the Board of Directors.

Section 28. Tenure and Duties of Officers.

(a) General. All officers shall hold office at the pleasure of the Board of Directors and until their successors shall have been duly elected and qualified, unless sooner removed. Any officer appointed by the Board of Directors may be removed at any time by the Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

(b) Duties of Chairman of the Board of Directors. The Chairman of the Board of Directors, when present, shall preside at all meetings of the stockholders and the Board of Directors. The Chairman of the Board of Directors shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time. If there is no President, then the Chairman

of the Board of Directors shall also serve as the Chief Executive Officer of the corporation and shall have the powers and duties prescribed in paragraph (c) of this Section 28.

(c) Duties of President. The President shall preside at all meetings of the stockholders and at all meetings of the Board of Directors, unless the Chairman of the Board of Directors has been appointed and is present. Unless some other officer has been elected Chief Executive Officer of the corporation, the President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. The President shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time.

(d) Duties of Vice Presidents. The Vice Presidents may assume and perform the duties of the President in the absence or disability of the President or whenever the office of President is vacant. The Vice Presidents shall perform other duties commonly incident to their office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

(e) Duties of Secretary. The Secretary shall attend all meetings of the stockholders and of the Board of Directors and shall record all acts and proceedings thereof in the minute book of the corporation. The Secretary shall give notice in conformity with these Bylaws of all meetings of the stockholders and of all meetings of the Board of Directors and any committee thereof requiring notice. The Secretary shall perform all other duties provided for in these Bylaws and other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time. The President may direct any Assistant Secretary to assume and perform the duties of the Secretary in the absence or disability of the Secretary, and each Assistant Secretary shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

(f) Duties of Chief Financial Officer. The Chief Financial Officer shall keep or cause to be kept the books of account of the corporation in a thorough and proper manner and shall render statements of the financial affairs of the corporation in such form and as often as required by the Board of Directors or the President. The Chief Financial Officer, subject to the order of the Board of Directors, shall have the custody of all funds and securities of the corporation. The Chief Financial Officer shall perform other duties commonly incident to his office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time. The President may direct the Treasurer or any Assistant Treasurer, or the Controller or any Assistant Controller to assume and perform the duties of the Chief Financial Officer in the absence or disability of the Chief Financial Officer, and each Treasurer and Assistant Treasurer and each Controller and Assistant Controller shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

Section 29. Delegation of Authority. The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

Section 30. Resignations. Any officer may resign at any time by giving notice in writing or by electronic transmission notice to the Board of Directors or to the President or to the Secretary. Any such resignation shall be effective when received by the person or persons to whom such notice is given, unless a later time is specified therein, in which event the resignation shall become effective at such later time. Unless otherwise specified in such notice, the acceptance of any such resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the corporation under any contract with the resigning officer.

Section 31. Removal. Any officer may be removed from office at any time, either with or without cause, by the affirmative vote of a majority of the directors in office at the time, or by the unanimous written or electronic consent of the directors in office at the time, or by any committee or superior officers.

ARTICLE VI

EXECUTION OF CORPORATE INSTRUMENTS AND VOTING OF SECURITIES OWNED BY THE CORPORATION

Section 32. Execution of Corporate Instruments. The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute on behalf of the corporation any corporate instrument or document, or to sign on behalf of the corporation the corporate name without limitation, or to enter into contracts on behalf of the corporation, except where otherwise provided by law or these Bylaws, and such execution or signature shall be binding upon the corporation.

All checks and drafts drawn on banks or other depositaries on funds to the credit of the corporation or in special accounts of the corporation shall be signed by such person or persons as the Board of Directors shall authorize so to do.

Unless authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 33. Voting of Securities Owned by the Corporation. All stock and other securities of other corporations owned or held by the corporation for itself, or for other parties in any capacity, shall be voted, and all proxies with respect thereto shall be executed, by the person authorized so to do by resolution of the Board of Directors, or, in the absence of such authorization, by the Chairman of the Board of Directors, the Chief Executive Officer, the President, or any Vice President.

ARTICLE VII

SHARES OF STOCK

Section 34. Form and Execution of Certificates. The shares of the corporation shall be represented by certificates, or shall be uncertificated. Certificates for the shares of stock, if any, shall be in such form as is consistent with the Certificate of Incorporation and applicable law. Every holder of stock in the corporation represented by certificate shall be entitled to have a certificate signed by or in the name of the corporation by the Chairman of the Board of Directors, or the President or any Vice President and by the Treasurer or Assistant Treasurer or the Secretary or Assistant Secretary, certifying the number of shares owned by him in the corporation. Any or all of the signatures on the certificate may be facsimiles. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

Section 35. Lost Certificates. A new certificate or certificates shall be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. The corporation may require, as a condition precedent to the issuance of a new certificate or certificates, the owner of such lost, stolen, or destroyed certificate or certificates, or the owner's legal representative, to agree to indemnify the corporation in such manner as it shall require or to give the corporation a surety bond in such form and amount as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen, or destroyed.

Section 36. Restrictions on Transfer.

(a) No holder of any of the shares of common stock of the corporation may sell, transfer, assign, pledge, or otherwise dispose of or encumber any of the shares of common stock of the corporation or any right or interest therein, whether voluntarily or by operation of law, or by gift or otherwise (each, a "Transfer") without the prior written consent of the corporation, upon duly authorized action of its Board of Directors. The corporation may withhold consent for any legitimate corporate purpose, as determined by the Board of Directors. Examples of the basis for the corporation to withhold its consent include, without limitation, (i) if such Transfer to individuals, companies or any other form of entity identified by the corporation as a potential competitor or considered by the corporation to be unfriendly; or (ii) if such Transfer increases the risk of the corporation having a class of security held of record by 2,000 or more persons, or 500 or more persons who are not accredited investors (as such term is defined by the SEC), as described in Section 12(g) of the 1934 Act and any related regulations, or otherwise requiring the corporation to register any class of securities under the 1934 Act; or (iii) if such Transfer would result in the loss of any federal or state securities law exemption relied upon by the corporation in connection with the initial issuance of such shares or the issuance of any other securities; or (iv) if such Transfer is facilitated in any manner by any public posting, message board, trading portal, internet site, or similar method of communication, including without limitation any trading portal or internet site intended to facilitate secondary

transfers of securities; or (v) if such Transfer is to be effected in a brokered transaction; or (vi) if such Transfer represents a Transfer of less than all of the shares then held by the stockholder and its affiliates or is to be made to more than a single transferee.

(b) If a stockholder desires to Transfer any shares of common stock, then the stockholder shall first give written notice thereof to the corporation. The notice shall name the proposed transferee and state the number of shares of common stock to be transferred, the proposed consideration, and all other terms and conditions of the proposed transfer. Any shares proposed to be transferred to which Transfer the corporation has consented pursuant to Section 36(a) will first be subject to the corporation's right of first refusal located in Section 46 hereof.

(c) Any Transfer, or purported Transfer, of shares of common stock not made in strict compliance with this Section 36 shall be null and void, shall not be recorded on the books of the corporation and shall not be recognized by the corporation.

(d) The foregoing restriction on Transfer shall terminate upon the date securities of the corporation are first offered to the public pursuant to a registration statement filed with, and declared effective by, the United States Securities and Exchange Commission under the Securities Act of 1933, as amended.

(e) The certificates representing shares of common stock of the corporation shall bear on their face the following legend so long as the foregoing Transfer restrictions are in effect:

> "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A TRANSFER RESTRICTION, AS PROVIDED IN THE BYLAWS OF THE COMPANY."

Section 37. Fixing Record Dates.

(a) In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix, in advance, 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, subject to applicable law, not be more than 60 nor less than ten days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business 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 adjournment of the meeting; *provided, however,* that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the corporation may determine the stockholders entitled to consent to corporate action in writing without a 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 date shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the Board of Directors.

Any stockholder of record seeking to have the stockholders authorize or take corporate action by written consent shall, by written notice to the Secretary, request the Board of Directors to fix a record date. The Board of Directors shall promptly, but in all events within ten days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date has been fixed by the Board of Directors within ten days of the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

(c) 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 the stockholders 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, in advance, a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no 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 38. 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 provided by the laws of Delaware.

ARTICLE VIII

OTHER SECURITIES OF THE CORPORATION

Section 39. Execution of Other Securities. All bonds, debentures and other corporate securities of the corporation, other than stock certificates (covered in Section 34), may be signed by the Chairman of the Board of Directors, the President or any Vice President, or such other person as may be authorized by the Board of Directors, and the corporate seal impressed thereon or a facsimile of such seal imprinted thereon and attested by the signature of the Secretary or an Assistant Secretary, or the Chief Financial Officer or Treasurer or an Assistant Treasurer; *provided, however,* that where any such bond, debenture or other corporate security shall be authenticated by the manual signature, or where permissible facsimile signature, of a trustee under an indenture pursuant to which such bond, debenture or other corporate

security shall be issued, the signatures of the persons signing and attesting the corporate seal on such bond, debenture or other corporate security may be the imprinted facsimile of the signatures of such persons. Interest coupons appertaining to any such bond, debenture or other corporate security, authenticated by a trustee as aforesaid, shall be signed by the Treasurer or an Assistant Treasurer of the corporation or such other person as may be authorized by the Board of Directors, or bear imprinted thereon the facsimile signature of such person. In case any officer who shall have signed or attested any bond, debenture or other corporate security, or whose facsimile signature shall appear thereon or on any such interest coupon, shall have ceased to be such officer before the bond, debenture or other corporate security so signed or attested shall have been delivered, such bond, debenture or other corporate security nevertheless may be adopted by the corporation and issued and delivered as though the person who signed the same or whose facsimile signature shall have been used thereon had not ceased to be such officer of the corporation.

ARTICLE IX

DIVIDENDS

Section 40. Declaration of Dividends. Dividends upon the capital stock of the corporation, subject to the provisions of the Certificate of Incorporation and applicable law, if any, may be declared by the Board of Directors pursuant to law at any regular or special meeting. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation and applicable law.

Section 41. Dividend Reserve. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the Board of Directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the Board of Directors shall think conducive to the interests of the corporation, and the Board of Directors may modify or abolish any such reserve in the manner in which it was created.

ARTICLE X

FISCAL YEAR

Section 42. Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

ARTICLE XI

INDEMNIFICATION

Section 43. Indemnification of Directors, Officers, Employees and Other Agents.

(a) Directors and Officers. The corporation shall indemnify its directors and officers to the fullest extent not prohibited by the DGCL or any other applicable law; *provided, however,* that the corporation may modify the extent of such indemnification by individual

contracts with its directors and officers; and, *provided, further,* that the corporation shall not be required to indemnify any director or officer in connection with any proceeding (or part thereof) initiated by such person unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors of the corporation, (iii) such indemnification is provided by the corporation, in its sole discretion, pursuant to the powers vested in the corporation under the Delaware General Corporation Law or any other applicable law or (iv) such indemnification is required to be made under subsection (d).

(b) Employees and Other Agents. The corporation shall have power to indemnify its employees and other agents as set forth in the DGCL or any other applicable law. The Board of Directors shall have the power to delegate the determination of whether indemnification shall be given to any such person to such officers or other persons as the Board of Directors shall determine.

(c) Expenses. The corporation shall advance to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request therefor, all expenses incurred by any director or officer in connection with such proceeding, provided, however, that, if the DGCL requires, an advancement of expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the corporation of 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 from which there is no further right to appeal that such indemnitee is not entitled to be indemnified for such expenses under this Section 43 or otherwise.

Notwithstanding the foregoing, unless otherwise determined pursuant to paragraph (e) of this Bylaw, no advance shall be made by the corporation to an officer of the corporation (except by reason of the fact that such officer is or was a director of the corporation, in which event this paragraph shall not apply) in any action, suit or proceeding, whether civil, criminal, administrative or investigative, if a determination is reasonably and promptly made (i) by a majority vote of a quorum consisting of directors who were not parties to the proceeding, even if not a quorum, or (ii) by a committee of such directors designated by a majority of such directors, even though less than a quorum, or (iii) if there are no such directors, or such directors so direct, by independent legal counsel in a written opinion, that the facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation.

(d) Enforcement. Without the necessity of entering into an express contract, all rights to indemnification and advances to directors and officers under this Bylaw shall be deemed to be contractual rights and be effective to the same extent and as if provided for in a contract between the corporation and the director or officer. Any right to indemnification or advances granted by this Bylaw to a director or officer shall be enforceable by or on behalf of the

person holding such right in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within 90 days of request therefor. The claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting the claim. In connection with any claim for indemnification, the corporation shall be entitled to raise as a defense to any such action that the claimant has not met the standards of conduct that make it permissible under the DGCL or any other applicable law for the corporation to indemnify the claimant for the amount claimed. Neither the failure of the corporation (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in the DGCL or any other applicable law, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct.

(e) Non-Exclusivity of Rights. The rights conferred on any person by this Bylaw shall not be exclusive of any other right which such person may have or hereafter acquire under any applicable statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, to the fullest extent not prohibited by the DGCL or any other applicable law.

(f) Survival of Rights. The rights conferred on any person by this Bylaw shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) Insurance. To the fullest extent permitted by the DGCL, or any other applicable law, the corporation, upon approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this Bylaw.

(h) Amendments. Any repeal or modification of this Bylaw shall only be prospective and shall not affect the rights under this Bylaw in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any agent of the corporation.

(i) Saving Clause. If this Bylaw or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify each director and officer to the full extent not prohibited by any applicable portion of this Bylaw that shall not have been invalidated, or by any other applicable law. If this Section 43 shall be invalid due to the application of the indemnification provisions of another jurisdiction, then the corporation shall indemnify each director and officer to the full extent under applicable law.

(j) Certain Definitions. For the purposes of this Bylaw, the following definitions shall apply:

(1) The term "proceeding" shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

(2) The term "expenses" shall be broadly construed and shall include, without limitation, court costs, attorneys' fees, witness fees, fines, amounts paid in settlement or judgment and any other costs and expenses of any nature or kind incurred in connection with any proceeding.

(3) The term the "corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Bylaw with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

(4) References to a "director," "executive officer," "officer," "employee," or "agent" of the corporation shall include, without limitation, situations where such person is serving at the request of the corporation as, respectively, a director, executive officer, officer, employee, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise.

(5) References to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the corporation" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Bylaw.

ARTICLE XII

NOTICES

Section 44. Notices.

(a) Notice to Stockholders. Written notice to stockholders of stockholder meetings shall be given as provided in Section 7 herein. Without limiting the manner by which

notice may otherwise be given effectively to stockholders under any agreement or contract with such stockholder, and except as otherwise required by law, written notice to stockholders for purposes other than stockholder meetings may be sent by United States mail or nationally recognized overnight courier, or by facsimile, telegraph or telex or by electronic mail or other electronic means.

(b) Notice to Directors. Any notice required to be given to any director may be given by the method stated in subsection (a), or as provided for in Section 21 of these Bylaws. If such notice is not delivered personally, it shall be sent to such address as such director shall have filed in writing with the Secretary, or, in the absence of such filing, to the last known post office address of such director.

(c) Affidavit of Mailing. An affidavit of mailing, executed by a duly authorized and competent employee of the corporation or its transfer agent appointed with respect to the class of stock affected or other agent, specifying the name and address or the names and addresses of the stockholder or stockholders, or director or directors, to whom any such notice or notices was or were given, and the time and method of giving the same, shall in the absence of fraud, be prima facie evidence of the facts therein contained.

(d) Methods of Notice. It shall not be necessary that the same method of giving notice be employed in respect of all recipients of notice, but one permissible method may be employed in respect of any one or more, and any other permissible method or methods may be employed in respect of any other or others.

(e) Notice to Person with Whom Communication Is Unlawful. Whenever notice is required to be given, under any provision of law or of the Certificate of Incorporation or Bylaws of the corporation, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the corporation is such as to require the filing of a certificate under any provision of the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

(f) Notice to Stockholders Sharing an Address. Except as otherwise prohibited under DGCL, any notice given under the provisions of DGCL, the Certificate of Incorporation or the Bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Such consent shall have been deemed to have been given if such stockholder fails to object in writing to the corporation within 60 days of having been given notice by the corporation of its intention to send the single notice. Any consent shall be revocable by the stockholder by written notice to the corporation.

ARTICLE XIII

AMENDMENTS

Section 45. Amendments. The Board of Directors is expressly empowered to adopt, amend or repeal Bylaws of the corporation. The stockholders shall also have power to adopt, amend or repeal the Bylaws of the corporation; *provided, however*, that, in addition to any vote of the holders of any class or series of stock of the corporation required by law or by the Certificate of Incorporation, such action by stockholders shall require the affirmative vote of the holders of at least a majority of the voting power of all of the then-outstanding shares of the capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class.

ARTICLE XIV

RIGHT OF FIRST REFUSAL

Section 46. Right of First Refusal. No stockholder shall Transfer any of the shares of common stock of the corporation, except by a Transfer which meets the requirements set forth in Section 36 and below:

(a) If the stockholder desires to Transfer any of his shares of common stock, then the stockholder shall first give the notice specified in Section 36(b) hereof and comply with the provisions therein.

(b) For 30 days following receipt of such notice, the corporation shall have the option to purchase all (but not less than all) of the shares specified in the notice at the price and upon the terms set forth in such notice; *provided, however,* that, with the consent of the stockholder, the corporation shall have the option to purchase a lesser portion of the shares specified in said notice at the price and upon the terms set forth therein. In the event of a gift, property settlement or other Transfer in which the proposed transferee is not paying the full price for the shares, and that is not otherwise exempted from the provisions of this Section 46, the price shall be deemed to be the fair market value of the stock at such time as determined in good faith by the Board of Directors. In the event the corporation elects to purchase all of the shares or, with consent of the stockholder, a lesser portion of the shares, it shall give written notice to the transferring stockholder of its election and settlement for said shares shall be made as provided below in paragraph (d).

(c) The corporation may assign its rights hereunder.

(d) In the event the corporation and/or its assignee(s) elect to acquire any of the shares of the transferring stockholder as specified in said transferring stockholder's notice, the Secretary of the corporation shall so notify the transferring stockholder and settlement thereof shall be made in cash within 30 days after the Secretary of the corporation receives said transferring stockholder's notice; provided that if the terms of payment set forth in said transferring stockholder's notice were other than cash against delivery, the corporation and/or its

assignee(s) shall pay for said shares on the same terms and conditions set forth in said transferring stockholder's notice.

(e) In the event the corporation and/or its assignees(s) do not elect to acquire all of the shares specified in the transferring stockholder's notice, said transferring stockholder may, subject to the corporation's approval and all other restrictions on Transfer located in Section 36 hereof, within the sixty-day period following the expiration or waiver of the option rights granted to the corporation and/or its assignees(s) herein, Transfer the shares specified in said transferring stockholder's notice which were not acquired by the corporation and/or its assignees(s) as specified in said transferring stockholder's notice. All shares so sold by said transferring stockholder shall continue to be subject to the provisions of this bylaw in the same manner as before said Transfer.

(f) Anything to the contrary contained herein notwithstanding, the following transactions shall be exempt from the right of first refusal in Section 46(a):

(1) A stockholder's Transfer of any or all shares held either during such stockholder's lifetime or on death by will or intestacy to such stockholder's immediate family or to any custodian or trustee for the account of such stockholder or such stockholder's immediate family or to any limited partnership of which the stockholder, members of such stockholder's immediate family or any trust for the account of such stockholder or such stockholder's immediate family will be the general or limited partner(s) of such partnership. "Immediate family" as used herein shall mean spouse, lineal descendant, father, mother, brother, or sister of the stockholder making such Transfer;

(2) A stockholder's bona fide pledge or mortgage of any shares with a commercial lending institution, provided that any subsequent Transfer of said shares by said institution shall be conducted in the manner set forth in this bylaw;

(3) A stockholder's Transfer of any or all of such stockholder's shares to the corporation or to any other stockholder of the corporation;

(4) A stockholder's Transfer of any or all of such stockholder's shares to a person who, at the time of such Transfer, is an officer or director of the corporation;

(5) A corporate stockholder's Transfer of any or all of its shares pursuant to and in accordance with the terms of any merger, consolidation, reclassification of shares or capital reorganization of the corporate stockholder, or pursuant to a sale of all or substantially all of the stock or assets of a corporate stockholder;

(6) A corporate stockholder's Transfer of any or all of its shares to any or all of its stockholders; or

(7) A Transfer by a stockholder which is a limited or general partnership to any or all of its partners or former partners in accordance with partnership interests.

In any such case, the transferee, assignee, or other recipient shall receive and hold such stock subject to the provisions of this Section 46 and the transfer restrictions in Section 36, and there shall be no further Transfer of such stock except in accord with this bylaw and the transfer restrictions in Section 36.

(g) The provisions of this bylaw may be waived with respect to any Transfer either by the corporation, upon duly authorized action of its Board of Directors, or by the stockholders, upon the express written consent of the owners of a majority of the voting power of the corporation (excluding the votes represented by those shares to be transferred by the transferring stockholder). This bylaw may be amended or repealed either by a duly authorized action of the Board of Directors or by the stockholders, upon the express written consent of the owners of a majority of the voting power of the corporation.

(h) Any Transfer, or purported Transfer, of securities of the corporation shall be null and void unless the terms, conditions, and provisions of this bylaw are strictly observed and followed.

(i) The foregoing right of first refusal shall terminate upon the date securities of the corporation are first offered to the public pursuant to a registration statement filed with, and declared effective by, the United States Securities and Exchange Commission under the Securities Act of 1933, as amended.

(j) The certificates representing shares of stock of the corporation shall bear on their face the following legend so long as the foregoing right of first refusal remains in effect:

> "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A RIGHT OF FIRST REFUSAL OPTION IN FAVOR OF THE CORPORATION AND/OR ITS ASSIGNEE(S), AS PROVIDED IN THE BYLAWS OF THE COMPANY."

ARTICLE XV

LOANS TO OFFICERS

Section 47. Loans to Officers. Except as otherwise prohibited under applicable law, the corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiaries, including any officer or employee who is a Director of the corporation or its subsidiaries, whenever, in the judgment of the Board of Directors, such loan, guarantee or assistance may reasonably be expected to benefit the corporation. The loan, guarantee or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board of Directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing in these Bylaws shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

ARTICLE XVI

FORUM FOR ADJUDICATION OF DISPUTES

Section 48. Forum for Adjudication of Disputes. Unless the corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (a) any derivative action or proceeding brought on behalf of the corporation, (b) any action asserting a claim of breach of a fiduciary duty owed by any director or officer of the corporation or the corporation's stockholders, (c) any action asserting a claim against the corporation arising pursuant to any provision of the DGCL or the Certificate of Incorporation or these Bylaws, or (d) any action asserting a claim against the corporation governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the corporation shall be deemed to have notice of and to have consented to the provisions of this Section 48.

ARTICLE XVI

MISCELLANEOUS

Section 49. Annual Report.

(a) Subject to the provisions of paragraph (b) of this Bylaw, the Board of Directors shall cause an annual report to be sent to each stockholder of the corporation not later than 120 days after the close of the corporation's fiscal year. Such report shall include a balance sheet as of the end of such fiscal year and an income statement and statement of changes in financial position for such fiscal year, accompanied by any report thereon of independent accountants or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation. When there are more than 100 stockholders of record of the corporation's shares, as determined by Section 605 of the CGCL, additional information as required by Section 1501(b) of the CGCL shall also be contained in such report, provided that if the corporation has a class of securities registered under Section 12 of the 1934 Act, the 1934 Act shall take precedence. Such report shall be sent to stockholders at least 15 days prior to the next annual meeting of stockholders after the end of the fiscal year to which it relates.

(b) If and so long as there are fewer than 100 holders of record of the corporation's shares, the requirement of sending of an annual report to the stockholders of the corporation is hereby expressly waived.

Exhibit 4.2

RENEO PHARMACEUTICALS, INC.

AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

This Amended and Restated Investors' Rights Agreement (this "***Agreement***") is made and entered into as of December 9, 2020 by and among Reneo Pharmaceuticals, Inc., a Delaware corporation (the "***Company***"), each of the investors listed on Schedule A hereto, each of which is referred to in this Agreement as an "***Investor***," any additional investor that becomes a party to this Agreement in accordance with Section 7.10 hereof, and vTv Therapeutics LLC ("***vTv***"), *provided* that vTv shall only be party to this Agreement for the limited purposes of Section 3 (in the capacity as a Holder), Section 4 (in the capacity as a Major Investor), and Section 7, and, for the avoidance of doubt, shall not have any rights as an Investor for purposes of Section 2 and Section 5.

RECITALS

WHEREAS, the Company and certain of the Investors are parties to that certain Investors' Rights Agreement dated as of December 22, 2017, as amended (the "***Prior Agreement***");

WHEREAS, concurrently with the execution of this Agreement, the Company and certain of the Investors are entering into a Series B Preferred Stock Purchase Agreement (as may be amended from time to time, the "***Purchase Agreement***") providing for the sale of shares of the Series B Preferred Stock (as defined below);

WHEREAS, the obligations in the Purchase Agreement are conditioned upon the execution and delivery of this Agreement;

WHEREAS, the parties to the Prior Agreement desire to amend and restate the Prior Agreement and accept the rights and covenants hereof in lieu of their rights and covenants under the Prior Agreement; and

WHEREAS, in order to induce the Company to enter into the Purchase Agreement and to induce the Investors to invest funds in the Company pursuant to the Purchase Agreement, the parties hereto hereby agree that this Agreement shall govern the rights of the Investors to cause the Company to register shares of Common Stock (as defined below) issuable to the Investors, to receive certain information from the Company, and to participate in future equity offerings by the Company, and shall govern certain other matters as set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises hereinafter set forth, the parties hereto hereby agree as follows:

1. DEFINITIONS. For purposes of this Agreement:

"***Affiliate***" means, with respect to any specified Person, any other Person who or which, directly or indirectly, controls, is controlled by, or is under common control with such Person including, without limitation, any general partner, managing partner, managing member, officer or director of such Person or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person. For purposes of this definition, the terms "***controlling***," "***controlled***

by," or "***under common control with***" shall mean the possession, directly or indirectly, of (a) 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, or (b) the power to elect or appoint at least 50% of the directors, managers, general partners, or persons exercising similar authority with respect to such Person. For purposes of this Agreement, (i) Pappas (as defined below) and Relativity Healthcare Fund, LLC shall be considered Affiliates of each other and (ii) Rock Springs Capital Master Fund LP ("***Rock Springs***") and Four Pines Master Fund LP ("***Four Pines***") shall be considered Affiliates of each other. Notwithstanding the foregoing, where the term "Person" refers to Novo Holdings A/S, in lieu of the foregoing definition, the term "Affiliate" shall mean Novo Ventures (US) Inc. and Novo Holdings Equity US Inc. (collectively with Novo Holdings A/S, the "***Novo Entities***"), any partner, executive officer or director of the Novo Entities or any venture capital fund or other Person now or hereafter existing formed for the purpose of making investments in other Persons that is controlled by or under common control with a Novo Entity, and for the avoidance of doubt, shall not include any other affiliate of the Novo Entities.

"***Automatic Shelf Registration Statement***" shall have the meaning given to that term in SEC Rule 405.

"***Board***" means the Company's Board of Directors.

"***business day***" means a weekday on which banks are open for general banking business in New York City, New York.

"***Code***" means the Internal Revenue Code of 1986, as amended.

"***Common Stoc*k**" means shares of the Company's common stock.

"***Damages***" means any loss, damage, or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, or liability (or any action in respect thereof) arises out of or is based upon (a) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, and any free-writing prospectus and any issuer information (as defined in Rule 433 of the Securities Act) filed or required to be filed pursuant to Rule 433(d) under the Securities Act or any other document incident to such registration prepared by or on behalf of the Company or used or referred to by the Company; (b) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (c) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

"***Deemed Liquidation Event***" has the meaning set forth for such term in the Restated Certificate.

"***Demand Notice***" means notice sent by the Company to the Holders specifying that a demand registration has been requested as provided in Section 3.1.1.

"***Derivative Securities***" means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly), Common Stock, including options and warrants.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"***Excluded Registration***" means (a) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to an equity incentive, stock option, stock purchase, or similar plan; (b) a registration relating to an SEC Rule 145 transaction; (c) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (d) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

"***Form S-1***" means such form under the Securities Act as in effect on the date of this Agreement or any successor registration form under the Securities Act subsequently adopted by the SEC.

"***Form S-3***" means such form under the Securities Act as in effect on the date of this Agreement or any registration form under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

"***Free Writing Prospectus***" means a free-writing prospectus, as defined in Rule 405 under the Securities Act.

"***Fully Exercising Investor***" shall have the meaning set forth in Section 4.2.

"***GAAP***" means generally accepted accounting principles in the United States.

"***Holder***" means any holder of Registrable Securities who is a party to this Agreement.

"***Immediate Family Member***" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, of a natural person referred to herein.

"***Initiating Holders***" means, collectively, Holders who properly initiate a registration request under this Agreement.

"***Investor Notice***" shall have the meaning set forth in Section 4.2.

"***IPO***" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

"***Major Investor***" means any Investor that, individually or together with such Investor's Affiliates, holds at least 1,000,000 shares of Registrable Securities (as adjusted for any stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date of this Agreement).

"***New Securities***" means, collectively, equity securities of the Company, whether or not currently authorized, Derivative Securities and any rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for (in each case, directly or indirectly) such equity securities; *provided*, *however*, that "New Securities" shall exclude: (a) Exempted Securities (as defined in the Restated Certificate), other than clause (ix) of such definition, which shall not be excluded from this definition of New Securities; and (b) shares or other securities specifically exempted by the vote or written consent of the Major Investors holding a majority of the Registrable Securities held by all Major Investors, which must include the approval of the Significant Investor Majority.

"***Offer Notice***" shall have the meaning set forth in Section 4.1.

"***Person***" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

"***Preferred Director***" shall have the meaning set forth in the Restated Certificate.

"***Preferred Stock***" means, collectively, shares of the Series A Preferred Stock and shares of the Series B Preferred Stock.

"***Pro Rata Amount***" means, for each Major Investor, that portion of the New Securities identified in an Offer Notice which equals the proportion that the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Preferred Stock and any other Derivative Securities then held, by such Major Investor bears to the total Common Stock of the Company then outstanding (assuming full conversion and/or exercise, as applicable, of all Preferred Stock and other outstanding Derivative Securities).

"***Registrable Securities***" means (a) the Common Stock issuable or issued upon conversion of shares of the Preferred Stock held by the Investors and vTv (excluding any Common Stock issued upon conversion of the Preferred Stock pursuant to the "Special Mandatory Conversion" provisions of the Restated Certificate), (b) the Common Stock held by vTv, A. M. Pappas Life Science Ventures V, LP, PV V CEO Fund, LP, RiverVest Venture Fund III, L.P. and RiverVest Venture Fund III (Ohio), L.P. and (c) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clause (a); excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Section 7.1, and excluding for purposes of Section 3 any shares for which registration rights have terminated

pursuant to Section 6.2 of this Agreement. Notwithstanding the foregoing, the Company shall in no event be obligated to register any Preferred Stock of the Company, and Holders of Registrable Securities will not be required to convert their Preferred Stock into Common Stock in order to exercise the registration rights granted hereunder, until immediately before the closing of the offering to which the registration relates.

"***Registrable Securities then outstanding***" means the number of shares determined by adding the number of shares of outstanding Common Stock that are Registrable Securities and the number of shares of Common Stock issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities.

"***Requisite Board Members***" shall have the meaning set forth in the Restated Certificate.

"***Restated Certificate***" means the Company's Amended and Restated Certificate of Incorporation, as may be amended from time to time.

"***Restricted Securities***" means the securities of the Company required to bear the legend set forth in Section 3.12.2 hereof.

"***SEC***" means the Securities and Exchange Commission.

"***SEC Rule 144***" means Rule 144 promulgated by the SEC under the Securities Act.

"***SEC Rule 145***" means Rule 145 promulgated by the SEC under the Securities Act.

"***SEC Rule 405***" means Rule 405 promulgated by the SEC under the Securities Act.

"***Securities Act***" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"***Selling Expenses***" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, except for the fees and disbursements of the Selling Holder Counsel borne and paid by the Company as provided in Section 3.6, not to exceed $50,000.

"***Selling Holder Counsel***" means one counsel for the selling Holders.

"***Series A Preferred Stock***" means shares of the Company's Series A Preferred Stock.

"***Series B Preferred Stock***" means shares of the Company's Series B Preferred Stock.

"***Significant Investor Majority***" means the holders of at least 60% of the then outstanding shares of Preferred Stock, voting together as a single class on an as-converted basis, one of which must be either Novo Holdings A/S and its Affiliates (together "***Novo***") or Abingworth Bioventures 8 LP and its Affiliates (together "***Abingworth***") for so long as such respective Person (i) is a Major

Investor and (ii) has not had any shares of its Preferred Stock converted into shares of Common Stock pursuant to the "Special Mandatory Conversion" provisions of the Restated Certificate.

"***Standoff Period***" means the period commencing on the date of the final prospectus relating to the IPO and ending on the date specified by the Company and the managing underwriter (such period not to exceed 180 days or such other period as the underwriters or the Company shall request in order to facilitate compliance with FINRA Rule 2711(f)(4) or NYSE Member Rule 472 or any successor or similar rule or regulation, but in no event shall such period exceed 210 days).

2. INFORMATION RIGHTS.

2.1 Delivery of Financial Statements.

2.1.1 Information to be Delivered. The Company shall deliver the following to each Major Investor, *provided* that the Board has not reasonably determined that such Major Investor is a competitor of the Company; *provided, further*, that the parties hereby agree that New Enterprise Associates 15, Limited Partnership and its Affiliates (together "***NEA***"), RiverVest Venture Fund IV, L.P. and its Affiliates, A.M. Pappas Life Science Ventures V, LP and its Affiliates (together "***Pappas***"), Chiesi Ventures, LP and its Affiliates, Novo, Abingworth, Rock Springs and its Affiliates, Four Pines and its Affiliates, Amzak Health Investors, LLC and its Affiliates (together "***Amzak***") and Aisling Capital V, LP and its Affiliates (collectively, the "***Funds***) shall be deemed not to be competitor of the Company for purposes of this Agreement:

(a) Within 150 days after the end of each fiscal year of the Company, the Company shall deliver, (i) a balance sheet as of the end of such year, (ii) statements of operations and of cash flows for such year, and (iii) a statement of stockholders' equity as of the end of such year, all of which shall be audited and certified by independent public accountants of nationally recognized standing approved by Board (including the Requisite Board Members).

(b) As soon as practicable, but in any event within 45 days after the end of each of the first three quarters of each fiscal year of the Company, the Company shall deliver unaudited statements of income and an unaudited balance sheet as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP).

(c) As soon as practicable, but in any event within 45 days after the end of each of the (i) second fiscal quarter of each fiscal year of the Company and (ii) fiscal year of the Company, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Major Investors to calculate their respective percentage equity ownership in the Company.

(d) As soon as practicable, but in any event within 30 days of the end of each month, the Company shall deliver a comparison between (x) the Company's actual cash expenditures for such month and (y) the comparable amounts in the Operating Plan (as defined below).

(e) At least 30 days prior to the beginning of each fiscal year, the Company shall deliver an operating plan for the next fiscal year, prepared on a monthly basis (the "***Operating Plan***").

(f) Such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as any Major Investor may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Section 2.1.1(f) to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form acceptable to the Company); or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

2.1.2 Consolidation. If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to Section 2.1.1 shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

2.1.3 Suspension or Termination. Notwithstanding anything else in this Section 2.1 to the contrary but subject to Section 6.1, the Company may cease providing the information set forth in this Section 2.1 during the period starting with the date 90 days before the Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; *provided* that the Company's covenants under this Section 2.1 shall be reinstated at such time as the Company is no longer actively employing its reasonable efforts to cause such registration statement to become effective.

2.2 Inspection. The Company shall permit each Major Investor, at such Major Investor's expense, and on such Major Investor's written request, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Major Investor; *provided, however*, that the Company shall not be obligated pursuant to this Section 2.2 to provide (a) access to any information that it reasonably and in good faith considers to be a trade secret or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel or (b) access to any information to any Major Investor that the Board has reasonably determined is a competitor of the Company; *provided* that the parties hereby agree that none of the Funds shall be deemed to be a competitor of the Company for purposes of this Agreement.

2.3 Observer Rights. The Company shall invite a representative from each of NEA, Novo, Abingworth, Pappas, Amzak and Rock Springs to attend all meetings of its Board

and its committees in a nonvoting observer capacity and, in this respect, shall give such representatives copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors; *provided, however*, that each such representative shall agree to hold in confidence and trust with respect to all information so provided; *provided, further*, that the Company reserves the right to withhold any information and to exclude each such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest.

2.4 Confidentiality. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Section 2 unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 2.4 by such Investor), (b) is or has been independently developed or conceived by the Investor without use of the Company's confidential information (as evidenced by contemporaneous written materials), or (c) is or has been made known or disclosed to the Investor by a third party without a breach of any obligation of confidentiality such third party may have to the Company; *provided, however*, that an Investor may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company, *provided* that such Persons are under a contractual or legal obligation to preserve the confidentiality of such information, (ii) to any existing or prospective partner, executive officer or director of such Investor in the ordinary course of business, *but only if* such Investor informs such Person that such information is confidential and such Person agrees to be bound by the confidentiality provisions of this Section 2.4 or comparable restrictions and to maintain the confidentiality of such information, or (iii) as may otherwise be required by law if the Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure.

3. REGISTRATION RIGHTS.

3.1 Demand Registration.

3.1.1 Form S-1 Demand. If at any time after the earlier of (a) the third year anniversary of the date of this Agreement and (b) 180 days after the effective date of the registration statement for the IPO, the Company receives a request from Holders of a majority of the Registrable Securities then outstanding that the Company file a Form S-1 registration statement with respect to any Registrable Securities then outstanding (and the Registrable Securities subject to such request have an anticipated aggregate offering price, net of Selling Expenses, of at least $10,000,000), then the Company shall (i) within 10 days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (ii) use its best efforts to as soon as practicable, and in any event within 90 days after the date such request is given by the Initiating Holders, file a Form S-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional

Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within 20 days after the date the Demand Notice is given, and in each case, subject to the limitations of Section 3.1.3 and Section 3.3.

3.1.2 Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from Holders of a majority of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least $1,000,000, then the Company shall (a) within 10 days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (b) use reasonable best efforts to as soon as practicable, and in any event within 45 days after the date such request is given by the Initiating Holders, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within 20 days of the date the Demand Notice is given, and in each case, subject to the limitations of Section 3.1.3 and Section 3.3.

3.1.3 Delay. Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Section 3.1 a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Board it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (a) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (b) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (c) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than 90 days after the request of the Initiating Holders is given; *provided, however*, that (i) the Company may not invoke this right more than twice in any 12-month period and (ii) the Company shall not register any securities for its own account or that of any other stockholder during such 90-day period other than an Excluded Registration.

3.1.4 Limitations.

(a) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 3.1.1: (i) if, within 30 days after receipt of a request for registration by Initiating Holders pursuant to this Section 3.1.1., the Company delivers notice to such Initiating Holder of its intent to cause such registration statement to become effective within 60 days of the date on which the Company received such request and the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective during such time period, during such 60-day period; (ii) during the period commencing from the effective date of the IPO and ending on a date that is 180 days after

the effective date of the IPO (ii) after the Company has effected two registrations pursuant to Section 3.1.1; or (iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Section 3.1.2.

(b) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 3.1.2: (i) during the period that is 30 days before the Company's good faith estimate of the date of filing of, and ending on a date that is 90 days after the effective date of, a Company-initiated registration, *provided* that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two registrations pursuant to Section 3.1.2 within the 12-month period immediately preceding the date of such request.

(c) A registration shall not be counted as "effected" for purposes of this Section 3.1.4 until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one registration on Form S-1 or S-3, as applicable, pursuant to Section 3.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Section 3.1.4.

3.2 Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for stockholders other than the Holders) any of its Common Stock under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within 20 days after such notice is given by the Company, the Company shall, subject to the provisions of Section 3.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 3.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Section 3.6.

3.3 Underwriting Requirements.

3.3.1 Inclusion. If, pursuant to Section 3.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 3.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Company, subject only to the reasonable approval of the holders of a majority of Registrable Securities held by the Initiating Holders. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Section 3.4(e)) enter into an underwriting agreement with the underwriter(s) selected for such underwriting.

Notwithstanding any other provision of this Section 3.3, if the managing underwriter(s) advise(s) the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned or held by each Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; *provided*, *however*, that the number of Registrable Securities owned or held by the Initiating Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest 100 shares.

3.3.2 Underwriter Cutback. In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Section 3.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable to) the number of Registrable Securities owned or held by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest 100 shares. Notwithstanding the foregoing, in no event shall (a) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, or (b) the number of Registrable Securities included in the offering be reduced below 25% of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded entirely if the underwriters make the determination described above and no other stockholder's securities are included in such offering. For purposes of the provision in this Section 3.3.2 concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, stockholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned or held by all Persons included in such "selling Holder," as defined in this sentence.

3.3.3 Registration Not Effected. For purposes of Section 3.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Section 3.3.1, fewer than 25% of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

3.4 Obligations of the Company. Whenever required under this Section 3 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective as promptly as practicable, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to 120 days or, if earlier, until the distribution contemplated in the registration statement has been completed; *provided, however*, that (i) such 120-day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration, and (ii) in the case of any registration of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable SEC rules, such 120-day period shall be extended for up to 90 days, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, the prospectus and, if required, any Free Writing Prospectus used in connection with such registration statement as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus and any Free Writing Prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; *provided* that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading

system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any managing underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus or Free-Writing Prospectus forming a part of such registration statement has been filed;

(j) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus or Free-Writing Prospectus;

(k) use its commercially reasonable efforts to obtain for the underwriters one or more "cold comfort" letters, dated the effective date of the related registration statement (and, if such registration includes an underwritten public offering, dated the date of the closing under the underwriting agreement), signed by the Company's independent public accountants in customary form and covering such matters of the type customarily covered by "cold comfort" letters;

(l) use its commercially reasonable efforts to obtain for the underwriters on the date such securities are delivered to the underwriters for sale pursuant to such registration a legal opinion of the Company's outside counsel with respect to the registration statement, each amendment and supplement thereto, the prospectus included therein (including the preliminary prospectus) and such other documents relating thereto in customary form and covering such matters of the type customarily covered by legal opinions of such nature;

(m) to the extent the Company is a well-known seasoned issuer (as defined in SEC Rule 405) at the time any request for registration is submitted to the Company in accordance with Section 3.1, if so requested, file an Automatic Shelf Registration Statement to effect such registration; and

(n) if at any time when the Company is required to re-evaluate its well-known seasoned issuer status for purposes of an outstanding Automatic Shelf Registration Statement used to effect a request for registration in accordance with Section 3.1.2 the Company determines that it is not a well-known seasoned issuer and (i) the registration statement is required to be kept effective in accordance with this Agreement and (ii) the registration rights of the applicable Holders have not terminated, use commercially reasonable efforts to promptly amend the registration statement on a form the Company is then eligible to use or file a new registration statement on such form, and keep such registration statement effective in accordance with the requirements otherwise applicable under this Agreement.

3.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 3 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

3.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 3, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements of one Selling Holder Counsel, not to exceed $50,000, shall be borne and paid by the Company; *provided, however*, that (a) the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 3.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Section 3.1.1 or Section 3.1.2, as the case may be, and (b) if, at the time of such withdrawal, the Holders shall have learned of a material adverse change in the condition, business, or prospects of the Company not known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information, then the Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Section 3.1.1 or Section 3.1.2. All Selling Expenses relating to Registrable Securities registered pursuant to this Section 3 shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

3.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 3.

3.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 3:

3.8.1 Company Indemnification. To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; *provided, however*, that the indemnity agreement contained in this Section 3.8.1 shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, conditioned, or delayed nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

3.8.2 Selling Holder Indemnification. To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; *provided, however*, that (a) the indemnity agreement contained in this Section 3.8.2 shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld, conditioned or delayed, and (b) that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Sections 3.8.2 and 3.8.4 exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

3.8.3 Procedures. Promptly after receipt by an indemnified party under this Section 3.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 3.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; *provided, however*, that an

indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Section 3.8, solely to the extent that such failure materially prejudices the indemnifying party's ability to defend such action.

3.8.4 Contribution. To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either (a) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Section 3.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Section 3.8 provides for indemnification in such case, or (b) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Section 3.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; *provided, however*, that:

(i) in any such case, (A) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (B) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and

(ii) in no event shall a Holder's liability pursuant to this Section 3.8.4, when combined with the amounts paid or payable by such Holder pursuant to Section 3.8.2, exceed the proceeds from the offering received by such Holder (net of any Selling Expenses) paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

3.8.5 Underwriting Agreement Controls. Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

3.8.6 Survival. Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Section 3.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 3, and otherwise shall survive the termination of this Agreement.

3.9 Reports under the Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company shall:

(a) use commercially reasonable efforts to make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after 90 days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies); and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

3.10 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of a majority of the Registrable Securities then outstanding, which must include the approval of the Significant Investor Majority, enter into any agreement with any holder or prospective holder of any securities of the Company that would allow such holder or prospective holder to include such securities in any registration if such agreement (a) would allow such holder or prospective holder to include a portion of its securities in any "piggyback" registration if such inclusion could reduce the number of Registrable Securities that selling Holders could be entitled to include in such registration under Sections 3.2 and 3.3.2 hereof or (b) would allow such holder or prospective holder to initiate a demand for registration of any of its securities at a time earlier than the Holders of Registrable Securities can demand registration under Section 3.1 hereof; *provided* that this limitation shall not apply to any additional Investor who becomes a party to this Agreement in accordance with Section 7.10.

3.11 "Market Stand-off" Agreement. Each Holder hereby agrees that, during the Standoff Period, such Holder will not, without the prior written consent of the Company or the managing underwriter:

(a) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right, or warrant to purchase or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock, or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock, held immediately before the effective date of the registration statement for such offering; or

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (a) or (b) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise.

The foregoing provisions of this Section 3.11 shall apply only to the IPO and shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall be applicable to the Holders only if all officers, directors, and stockholders individually owning more than 1% of the Company's outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding Preferred Stock) are similarly bound. For purposes of this Section 3.11, the term "Company" shall include any wholly-owned subsidiary of the Company into which the Company merges or consolidates. Any discretionary waiver or termination of the restrictions of any or all such agreements by the Company or the underwriters shall apply pro rata to all Holders subject to such agreements, based on the number of shares subject to such agreements. In order to enforce the foregoing covenant, the Company shall have the right to place restrictive legends on the certificates representing the shares subject to this Section 3.11 and to impose stop transfer instructions with respect to such shares until the end of such period. The underwriters in connection with such registration are intended third-party beneficiaries of this Section 3.11 and shall have the right, power, and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Section 3.11 or that are necessary to give further effect thereto.

3.12 **Restrictions on Transfer**.

3.12.1 Agreement Binding. The Preferred Stock and the Registrable Securities shall not be sold, pledged, or otherwise transferred, and the Company shall not recognize and shall issue stop-transfer instructions to its transfer agent with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Preferred Stock and the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement.

3.12.2 Legends. Each certificate or instrument representing (a) the Preferred Stock, (b) the Registrable Securities, and (c) any other securities issued in respect of the securities referenced in clauses (a) and (b), upon any stock split, stock dividend, recapitalization, merger, consolidation, or similar event, shall (unless otherwise permitted by the provisions of Section 3.12.3) be stamped or otherwise imprinted with a legend substantially in the following form:

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO TRANSFER MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933, AS AMENDED.

THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A MARKET STAND-OFF RESTRICTION AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SHARES, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Section 3.12.

3.12.3 Procedure. The holder of each certificate representing Restricted Securities, by acceptance thereof, agrees to comply in all respects with the provisions of this Section 3. Before any proposed sale, pledge, or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction, the Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer. Each such notice shall describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, shall be accompanied at such Holder's expense by either (a) a written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (b) a "no action" letter from the SEC to the effect that the proposed sale, pledge,

or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (c) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities shall be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a legal opinion or "no action" letter (i) in any transaction in compliance with SEC Rule 144 or (ii) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration; *provided* that each transferee agrees in writing to be subject to the terms of this Section 3.12. Each certificate or instrument evidencing the Restricted Securities transferred as above provided shall bear, except if such transfer is made pursuant to SEC Rule 144, the appropriate restrictive legend set forth in Section 3.12.2, except that such certificate shall not bear such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

4. RIGHTS TO FUTURE STOCK ISSUANCES. Subject to the terms and conditions of this Section 4 and applicable securities laws, if the Company proposes to sell any New Securities, the Company shall offer to sell a portion of New Securities to each Major Investor as described in this Section 4. A Major Investor shall be entitled to apportion the right of first refusal hereby granted to it among itself and its Affiliates in such proportions as it deems appropriate, *provided* that each such Affiliate agrees to enter into this Agreement and each of the Amended and Restated Voting Agreement and Amended and Restated Right of First Refusal and Co-Sale Agreement of even date herewith among the Company, the Investors and the other parties named therein, as an "Investor" under each agreement. The right of first refusal in this Section 4 shall not be applicable with respect to any Major Investor, if at the time of such subsequent securities issuance, the Major Investor is not an "accredited investor," as that term is then defined in Rule 501(a) under the Securities Act.

4.1 Company Notice. The Company shall give notice (the "***Offer Notice***") to each Major Investor, stating (a) its bona fide intention to sell such New Securities, (b) the number of such New Securities to be sold and (c) the price and terms, if any, upon which it proposes to sell such New Securities.

4.2 Investor Right. By written notice (the "***Investor Notice***") to the Company within 20 days after the Offer Notice is given, each Major Investor may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to such Major Investor's Pro Rata Amount. In addition, each Major Investor that elects to purchase or acquire all of its Pro Rata Amount (each, a "***Fully Exercising Investor***") may, in the Investor Notice, elect to purchase or acquire, in addition to its Pro Rata Amount, a portion of the New Securities, if any, for which other Major Investors were entitled to subscribe but that are not subscribed for by such Major Investors. The amount of such overallotment that each Fully Exercising Investor shall be entitled to purchase is equal to the proportion that the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of Preferred Stock and any other Derivative Securities then held, by such Fully Exercising Investor bears to the Common

Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Preferred Stock and any other Derivative Securities then held, by all Fully Exercising Investors who wish to purchase such unsubscribed shares. A Major Investor's election may be conditioned on the consummation of the transaction described in the Offer Notice. The closing of any sale pursuant to this Section 4.2 shall occur on the earlier of 120 days after the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Section 4.3.

4.3 Sale of Securities. If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 4.2, the Company may, during the 120 day period following the expiration of the periods provided in Section 4.2, offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon other terms not materially more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within 30 days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Major Investors in accordance with this Section 4.

5. ADDITIONAL COVENANTS.

5.1 Insurance. The Company shall use its commercially reasonable efforts to maintain directors and officers liability insurance from a financially sound and reputable insurer for $2 million in coverage (or such other amount as agreed to by the Board, including the Requisite Board Members), on terms and conditions satisfactory to the Board, and will use commercially reasonable efforts to cause such insurance policies to be maintained until such time as the Board determines that such insurance should be discontinued.

5.2 Employee Agreements. The Company will cause each person now or hereafter employed by it or by any subsidiary (or engaged by the Company or any subsidiary as a consultant/independent contractor) to enter into a customary nondisclosure and proprietary rights assignment agreement or an employment or consulting agreement providing that (i) he or she is either an at-will employee or a consultant of the Company, as the case may be, (ii) he or she will maintain all Company proprietary information in confidence, (iii) he will assign all inventions created by him or her as an employee or consultant during his employment or service to the Company, and (iv) he or she will not disclose any information related to the Company's work force and will not solicit any employees from the Company for a period of 12 months should his or her employment or service to the Company be terminated for any reason.

5.3 Employee Vesting. All stock options issued after the date of this Agreement to employees, directors, consultants and other service providers shall require approval of the Board, including the Requisite Board Members, and unless otherwise approved by the Board, including the Requisite Board Members, all employees and consultants of the Company or its subsidiaries who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date of this Agreement shall be required to execute restricted stock or option agreements, as applicable, providing for (i) vesting of shares over a four year period, with the first 25% of such shares vesting following 12 months of continued employment

or service (or the date of grant in the case of a grant to an existing employee or consultant), and the remaining shares vesting in equal monthly installments over the following 36 months.

5.4 Board Matters. The Company shall reimburse the nonemployee directors and observers for all reasonable out-of-pocket travel expenses incurred in connection with attending meetings of the Board or committee meetings or any other activities, which are required and/or requested by the Company and that involve expenses. Each Preferred Director shall have the right to be a member of any committee of the Board.

5.5 Compensation Committee. The Board shall maintain a compensation committee comprised of at least two Preferred Directors, including the Preferred Director appointed by NEA, for the purpose of, among other things, reviewing and determining the compensation of the Company's executive officers.

5.6 Right to Conduct Activities. The Company hereby agrees and acknowledges that each of the Funds is a professional investment fund, and as such invests in numerous portfolio companies, some of which may be deemed competitive with the Company's business (as currently conducted or as currently propose to be conducted). The Company hereby agrees that, to the extent permitted under applicable law, none of the Funds shall be liable to the Company for any claim arising out of, or based upon, (i) the investment by such Fund in any entity competitive with the Company, or (ii) actions taken by any partner, officer or other representative of such Fund to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on the Company; *provided, however*, that the foregoing shall not relieve (x) any of the Investors from liability associated with the unauthorized disclosure of the Company's confidential information obtained pursuant to this Agreement, or (y) any director or officer of the Company from any liability associated with his or her fiduciary duties to the Company.

5.7 Indemnification Matters. The Company hereby acknowledges that each of the Preferred Directors may have certain rights to indemnification, advancement of expenses and/or insurance provided by one or more of the Investors and/or certain of its Affiliates (collectively, the "***Fund Indemnitors***"). The Company hereby agrees (i) that it is the indemnitor of first resort (i.e., its obligations to a Preferred Director are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by a Preferred Director are secondary), (ii) that it shall be required to advance the full amount of expenses incurred by a Preferred Director and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement by or on behalf of any such Preferred Director to the extent legally permitted and as required by the Restated Certificate or Bylaws (or any agreement between the Company and a Preferred Director), without regard to any rights a Preferred Director may have against the Fund Indemnitors, and, (iii) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund 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 Fund Indemnitors on behalf of a Preferred Director with respect to any claim for which a Preferred Director has sought

indemnification from the Company shall affect the foregoing and the Fund 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 a Preferred Director against the Company. If the Company or any of its successors or assignees consolidates with or merges into any other entity and is not the continuing or surviving corporation or entity of such consolidation or merger, then to the extent necessary, proper provision shall be made so that the successors and assignees of the Company assume the obligations of the Company with respect to indemnification of members of the Board as in effect immediately before such transaction, whether such obligations are contained in the Company's Restated Certificate, Bylaws, or elsewhere, as the case may be.

5.8 FIRPTA Compliance. The Company shall provide prompt notice to each party hereto following any "determination date" (as defined in Treasury Regulation Section 1.897-2(c)(1)) on which the Company becomes a United States real property holding corporation. In addition, within 10 days of a written request from any party hereto, the Company shall provide such party with a written statement informing such party whether such party's interest in the Company constitutes a United States real property interest. The Company's determination shall comply with the requirements of Treasury Regulation Section 1.897-2(h)(1) or any successor regulation, and the Company shall provide timely notice to the Internal Revenue Service, in accordance with and to the extent required by Treasury Regulation Section 1.897-2(h)(2) or any successor regulation, that such statement has been made. The Company's obligation to furnish such written statement shall continue notwithstanding the fact that a class of the Company's stock may be traded on an established securities market or the fact that there is no preferred stock then outstanding.

5.9 Critical Technology Matters.

(a) To the extent (i) any pre-existing products or services provided by the Company are re-categorized by the U.S. government as a critical technology within the meaning of the Defense Production Act of 1950, as amended, including all implementing regulations thereof (the "***DPA***"), or would reasonably be considered to constitute the design, fabrication, development, testing, production or manufacture of a critical technology after a re-categorization of selected technologies by the U.S. government, or (ii) after execution of the Purchase Agreement, the Company engages in any activity that could reasonably be considered to constitute the design, fabrication, development, testing, production or manufacture of a critical technology within the meaning of the DPA, the Company shall promptly notify the Investors of such change in the categorization of its products or services.

(b) Subject to Section 4.16 of the Purchase Agreement, if and only if (i) the Committee on Foreign Investment in the United States ("***CFIUS***") requests or requires that any Investor or the Company file a notice or declaration with CFIUS pursuant to the DPA with respect to the Investor's investment in the Company (the "***Covered Transactions***") or (ii) either Novo or Abingworth and the Company mutually and reasonably determine (based on advice of counsel) that a filing with CFIUS with respect to the Covered Transactions is advisable or required by applicable law, then in either case, (i) or (ii): (x) the Company and each Investor shall, and shall cause its Affiliates to, cooperate with the other parties hereto and shall promptly file a CFIUS

filing in the requested, required or advisable form in accordance with the DPA; and (y) the Company and each Investor shall, and shall cause its Affiliates to, use reasonable best efforts to obtain, as applicable, the CFIUS Satisfied Condition (as defined in the Purchase Agreement), provided that agreement to any mitigation terms shall be at the reasonable discretion of the affected Investor.

5.10 Expenses of Counsel. In the event of a transaction which is a Sale of the Company (as defined in the Amended and Restated Voting Agreement of even date herewith among the Investors, the Company and the other parties named therein), the reasonable fees and disbursements, not to exceed $75,000, of one counsel for the Major Investors ("***Investor Counsel***"), in their capacities as stockholders, shall be borne and paid by the Company. At the outset of considering a transaction which, if consummated would constitute a Sale of the Company, the Company shall obtain the ability to share with the Investor Counsel (and such counsel's clients) and shall share the confidential information (including, without limitation, the initial and all subsequent drafts of memoranda of understanding, letters of intent and other transaction documents and related noncompete, employment, consulting and other compensation agreements and plans) pertaining to and memorializing any of the transactions which, individually or when aggregated with others would constitute the Sale of the Company. The Company shall be obligated to share (and cause the Company's counsel and investment bankers to share) such materials when distributed to the Company's executives and/or any one (1) or more of the other parties to such transaction(s). In the event that Investor Counsel deems it appropriate, in its reasonable discretion, to enter into a joint defense (or common interest) agreement or other arrangement to enhance the ability of the parties to protect their communications and other reviewed materials under the attorney client privilege, the Company shall, and shall direct its counsel to, execute and deliver to Investor Counsel and its clients such an agreement in form and substance reasonably acceptable to Investor Counsel and the Company's counsel. In the event that one (1) or more of the other party or parties to such transactions require the clients of Investor Counsel to enter into a confidentiality agreement and/or joint defense (or common interest) agreement in order to receive such information, then the Company shall share whatever information can be shared without entry into such agreement and shall, at the same time, in good faith work expeditiously to enable Investor Counsel and its clients to negotiate and enter into the appropriate agreement(s) without undue burden to the clients of Investor Counsel.

6. TERMINATION.

6.1 Generally. The covenants set forth in Section 2.1, Section 2.2, Section 2.3, Section 4 and Section 5 shall terminate and be of no further force or effect upon the earliest to occur of: (a) immediately before the consummation of an IPO; or (b) upon a Deemed Liquidation Event, in which the consideration is cash and/or freely-tradeable and marketable securities.

6.2 Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Section 3.1 or Section 3.2 shall terminate upon the earliest to occur of: (a) any time following an IPO when the holder holds less than 1% of the outstanding securities of the Company and all of such Holder's Registrable

Securities may be sold without any restriction on volume or manner of sale in any three-month period under SEC Rule 144 or any successor; and (b) the fifth anniversary of the IPO.

7. GENERAL PROVISIONS.

7.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that (a) is an Affiliate of a Holder; (b) is a Holder's Immediate Family Member or trust for the benefit of an individual Holder or one or more of such Holder's Immediate Family Members; (c) after such transfer, holds at least 2% of the shares of Registrable Securities (or if the transferring Holder owns less than 2% of the Registrable Securities, then all Registrable Securities held by the transferring Holder); or (d) is a venture capital fund that is controlled by or under common control with one or more general partners or managing partners or managing members of, or shares the same management company with, the Holder; *provided, however*, that (i) the Company is, prior to such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; and (ii) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement, including the provisions of Section 3.11. For the purposes of determining the number of shares of Registrable Securities held by a transferee, the holdings of a transferee (A) that is an Affiliate of a Holder; (B) who is a Holder's Immediate Family Member; or (C) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

7.2 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws.

7.3 Counterparts; Electronic Signatures. This Agreement may be executed and delivered by electronic signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

7.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

7.5 Notices. All notices, requests, and other communications given, made or delivered pursuant to this Agreement shall be in writing and shall be deemed effectively given,

made or delivered upon the earlier of actual receipt or: (a) personal delivery to the party to be notified; (b) when sent, if sent by electronic mail during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (c) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (d) one business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on Schedule A hereto, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, or to such address or electronic mail address as subsequently modified by written notice given in accordance with this Section 7.5. If notice is given to the Company, it shall be sent to Reneo Pharmaceuticals, Inc., 12230 El Camino Real, Suite 230, San Diego, CA 92130, Attention: Chief Executive Officer, a copy (which shall not constitute notice) shall also be sent to Cooley LLP, 4401 Eastgate Mall, San Diego, California 92121, Attention: Jason L. Kent. If notice is given to the Investors, a copy (which shall not constitute notice) shall also be sent to Wilson Sonsini Goodrich & Rosati, PC, 12235 El Camino Real, San Diego, California 92109, Attention: Dan Koeppen.

7.6 Amendments and Waivers. This Agreement may only be amended or terminated and the observance of any term hereof may be waived (either generally or in a particular instance, and either retroactively or prospectively) only by a written instrument executed by (a) the Company and (b) (i) with respect to Sections 2 and 4 and any other provision of this Agreement to the extent such provision pertains to Section 2 or 4, the holders of a majority of the Registrable Securities then outstanding and held by the Major Investors, which must include the approval of the Significant Investor Majority, or (ii) with respect to Sections 3 and 5 and any other provision of this Agreement to the extent such provision pertains to Section 3 or 5, the holders of a majority of the Registrable Securities then outstanding and held by the Investors, which must include the approval of the Significant Investor Majority; *provided* that (A) the Company may in its sole discretion waive compliance with Section 3.12; (B) any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party; (C) the Company may, without the consent or approval of any other party hereto, cause additional persons to become party to this Agreement as Investors pursuant to Section 7.10 hereto and amend Schedule A hereto accordingly; (D) this Agreement may not be amended or terminated and the observance of any term hereof may not be waived with respect to any Holder or Major Investor (including, for the avoidance of doubt, vTv while in its capacity as such) without the written consent of such Holder or Major Investor, unless such amendment, termination, or waiver applies to all Holders or Major Investors, as the case may be, in the same fashion (it being agreed that a waiver of the provisions of Section 4 with respect to a particular transaction shall be deemed to apply to all Major Investors in the same fashion if such waiver does so by its terms, notwithstanding the fact that certain Major Investors may nonetheless, by agreement with the Company, purchase securities in such transaction; *provided*, *however*, that if, after giving effect to such waiver of Section 4 with respect to a particular transaction, a Major Investor purchases securities in such transaction or issuance (such Major Investor, a "***Participating Investor***"), such waiver of the provisions of Section 4 shall be deemed to apply to each other Major Investor whose rights were waived or amended only if such other Major Investor has been provided the opportunity to purchase a proportional number of the New Securities being offered by the Company in such transaction based on the pro rata

purchase right of such other Major Investor set forth in Section 4, assuming a transaction size determined based upon the amount purchased by the Participating Investor that invested the largest percentage in such transaction, it being agreed that such opportunity may be provided subsequent to the initial closing in which such Participating Investor(s) purchase securities); and (E) Section 5.9 may not be amended without the written approval of each of Novo and Abingworth. Any amendment, termination, or waiver effected in accordance with this Section 7.6 shall be binding on each party hereto and all of such party's successors and permitted assigns, regardless of whether or not any such party, successor or assignee entered into or approved such amendment, termination, or waiver. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

7.7 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

7.8 Aggregation of Stock. All shares of Registrable Securities held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

7.9 Entire Agreement. This Agreement (including any Schedules and Exhibits hereto), the Purchase Agreement and the other documents delivered pursuant thereto constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled and replaced with this Agreement; *provided* that with respect to vTv, while the Company and vTv acknowledge that this Agreement satisfies the requirements in Section 3.2 of the License Agreement, dated as of December 21, 2017 between the Company and vTv, as of the date hereof, this Agreement does not cancel or replace Section 3.2 thereof.

7.10 Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of the Preferred Stock after the date of this Agreement pursuant to the Purchase Agreement, any purchaser of such shares of Preferred Stock may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement, and thereafter shall be deemed an "Investor" for all purposes hereunder. No action or consent by the Investors shall be required for such joinder to this Agreement by such additional Investor, so long as such additional Investor has agreed in writing to be bound by all of the obligations as an "Investor" hereunder.

7.11 Third Parties. Other than as set forth in Section 3.11, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties hereto and their successors and assigns, any rights or remedies under or by reason of this Agreement.

7.12 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such nonbreaching or nondefaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

7.13 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the federal or state courts located in the State of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the federal or state courts located in the State of Delaware, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that a party is not subject to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution based upon judgment or order of such court(s), that any suit, action or proceeding arising out of or based upon this Agreement commenced in the federal or state courts located in the State of Delaware is brought in an inconvenient forum, that the venue of such suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court. Should any party commence a suit, action or other proceeding arising out of or based upon this Agreement in a forum other than the federal or state courts located in the State of Delaware, or should any party otherwise seek to transfer or dismiss such suit, action or proceeding from such court(s), that party shall indemnify and reimburse the other party for all legal costs and expenses incurred in enforcing this provision.

7.14 Attorneys' Fees. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the non-prevailing party shall pay all costs and expenses incurred by the prevailing party, including, without limitation, all reasonable attorneys' fees.

7.15 Limitation of Liability; Freedom to Operate Affiliates. The total liability, in the aggregate, of each Investor and their respective Affiliates, officers, directors, employees and agents, for any and all claims, losses, costs or damages, including attorneys' and accountants' fees and expenses and costs of any nature whatsoever or claims or expenses resulting from or in any way related to such Investor's breach of this Agreement shall be several and not joint with the other Investors and shall not exceed the total purchase price paid to the Company by such Investor for the Shares (as defined in the Purchase Agreement) under the Purchase Agreement. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law. Nothing in this Agreement or the Transaction Agreements (as defined in the Purchase Agreement) shall restrict any Investor's freedom to operate any of its affiliates (including any such affiliate that is a potential competitor of the Company).

7.16 Amendment and Restatement of Prior Agreement. The Prior Agreement is hereby amended in its entirety and restated herein. Such amendment and restatement is effective upon the execution of this Agreement by the Company and the parties required for an amendment pursuant to Section 7.6 of the Prior Agreement. Upon such execution, all provisions of, rights granted and covenants made in the Prior Agreement are hereby waived, released and superseded in their entirety and shall have no further force or effect, including, without limitation, all rights of first refusal and any notice period associated therewith otherwise applicable to the transactions contemplated by the Purchase Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

COMPANY:

RENEO PHARMACEUTICALS, INC.

By: /s/ Gregory J. Flesher
Name: Gregory J. Flesher
Title: President and Chief Executive Officer

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR

NOVO HOLDINGS A/S

By: /s/ Thomas Dryberg
Name: Thomas Dyrberg, under specific power of attorney
Title: Managing Partner, Novo Holdings A/S

Address:

Tuborg Havnevej 19
DK-2900 Hellerup
Denmark
Attn: Heather Ludvigsen
Email: […***…]

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

Novo Ventures (US), Inc.
501 2nd Street, Suite 300
San Francisco, CA 94107
Attention: Junie Lim
Email: […***…]
Attention : Tiba Aynechi
Email: […***…]

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR

ABINGWORTH BIOVENTURES 8 LP
acting by its Manager Abingworth LLP

By: /s/ John Heard
Name: John Heard
Title: Partner, General Counsel

c/o Abingworth LLP
38 Jermyn Street
London SW1Y 6DN
United Kingdom

Attn: General Counsel
Email: […***…]

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR

AMZAK HEALTH INVESTORS, LLC

By: /s/ Joyce Erony
Name: Joyce Erony
Title: Managing Director

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR

ROCK SPRINGS CAPITAL MASTER FUND LP
By: Rock Springs General Partner LLC, its General Partner

By: /s/ Kris Jenner
Name: Kris Jenner
Title: Member

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR

FOUR PINES MASTER FUND LP
By: Four Pines General Partner LLC, its General Partner

By: /s/ Kris Jenner
Name: Kris Jenner
Title: Member

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR

AISLING CAPITAL V, LP

By: /s/ Robert Wenzel
Name: Robert Wenzel
Title: CFO

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTORS:

NEW ENTERPRISE ASSOCIATES 15, L.P.

By: NEA Partners 15, L.P., its general partner
By: NEA 15 GP, LLC, its general Partner

By: /s/ Louis Citron
Name: Louis Citron
Title: Chief Legal Office

NEA VENTURES 2017, LIMITED PARTNERSHIP

BY: /s/ Louis Citron, Vice-President

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR:

THE GREY FAMILY TRUST DATED NOVEMBER 12, 1999

By: /s/ Michael Grey
Name: Michael Grey
Title: Trustee

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTORS:

A.M. PAPPAS LIFE SCIENCE VENTURES V, LP

By: AMP&A Management V, LLC, its General Partner

By: /s/ Arthur M. Pappas
Name: Arthur M. Pappas
Title: CEO & Managing Partner

PV V CEO FUND, LP

By: AMP&A Management V, LLC, its General Partner

By: /s/ Arthur M. Pappas
Name: Arthur M. Pappas
Title: CEO & Managing Partner

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR:

CHIESI VENTURES, LP

By: Chiesi Ventures, Inc., its General Partner
By: Pappas Capital, LLC, its Management Company

By: /s/ Arthur M. Pappas
Name: Arthur M. Pappas
Title: CEO & Managing Partner

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR:

RELATIVITY HEALTHCARE FUND, LLC

By: /s/ Michael Chao
Name: Michael Chao
Title: Manager

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR:

RIVERVEST VENTURE FUND IV, L.P.

By: RiverVest Venture Partners IV, L.P., its General Partner
By: RiverVest Venture Partners IV, LLC, its sole General Partner

By: /s/ Niall O'Donnell
Name: Niall O'Donnell
Title: Managing Director

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR:

RIVERVEST VENTURE FUND III, L.P.

By: RiverVest Venture Partners III, L.P., its General Partner
By: RiverVest Venture Partners III, LLC, its sole General Partner

By: /s/ Niall O'Donnell
Name: Niall O'Donnell
Title: Managing Director

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR:

RIVERVEST VENTURE FUND III (OHIO), L.P.

By: RiverVest Venture Partners III (Ohio), LLC, its General Partner
By: RiverVest Venture Partners III, L.P., its sole member
By: RiverVest Venture Partners III, LLC, its general partner

By: /s/ Niall O'Donnell
Name: Niall O'Donnell
Title: Managing Director

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR:

LUNDBECKFOND INVEST A/S

By: /s/ Mette Kristine Agger
Name: Mette Kristine Agger
Title: Managing Partner, Lundbeckfonden Ventures

By: /s/ Lene Skole
Name: Lene Skole
Title: CEO, Lundbeckfond Invest A/S

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR:

/s/ Jason Fuller

Jason Fuller

IN WITNESS WHEREOF, the parties hereto have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTOR:

/s/ Tak Cheung
Tak Cheung

SCHEDULE A

List of Investors

Name and Address of Investor	Number of Shares of Series A Preferred Stock Initially Held	Number of Shares of Series B Preferred Stock Initially Held
Novo Holdings A/S Tuborg Havnevej 19 DK-2900 Hellerup Denmark Attn: Heather Ludvigsen Email: […***…] with a copy (which shall not constitute notice) to: Novo Ventures (US), Inc. 501 2nd Street, Suite 300 San Francisco, CA 94107 Attention: Tiba Aynechi and Junie Lim Email: […***…] and […***…]	—	6,183,527
Abingworth Bioventures 8 LP c/o Abingworth LLP 38 Jermyn Street London SW1Y 6DN United Kingdom Attn: General Counsel Email: […***…]	—	3,710,116
Amzak Health Investors, LLC 295 Madison Ave, 32nd Floor New York, NY 10017 Attn: Scott Weiner Email: […***…]	—	1,236,705

Name and Address of Investor	Number of Shares of Series A Preferred Stock Initially Held	Number of Shares of Series B Preferred Stock Initially Held
Rock Springs Capital Master Fund LP c/o Rock Springs Capital Management LP 650 S Exeter Street Suite 1070 Baltimore, MD 21210 Attn: General Counsel Email: […***…]; […***…]; […***…]	—	1,484,047
Four Pines Master Fund LP c/o Rock Springs Capital Management LP 650 S Exeter Street Suite 1070 Baltimore, MD 21210 Attn: General Counsel Email: […***…]; […***…]; […***…]	—	309,176

Name and Address of Investor	Number of Shares of Series A Preferred Stock Initially Held	Number of Shares of Series B Preferred Stock Initially Held
Aisling Capital V, L.P. 888 Seventh Avenue, 12th Floor New York, NY 10106 Attn: Steve Elms & Stacey Seltzer Fax: […***…] Email: […***…]; […***…] and **Aisling Capital V, L.P.** 888 Seventh Avenue, 12th Floor New York, NY 10106 Attn: Chief Financial Officer Fax: […***…] Email: […***…] With a required copy to: McDermott Will & Emery LLP 340 Madison Avenue New York, NY 10173-1922 Attn: Todd Finger Fax: […***…] Email: […***…]	—	1,236,705
New Enterprise Associates 15, L.P. c/o New Enterprise Associates 1954 Greenspring Drive, Suite 600 Timonium, MD 21093 Attn: Louis Citron and Edward Mathers Email: […***…]; […***…]	9,526,652	4,452,140
NEA Ventures 2017, Limited Partnership c/o New Enterprise Associates 1954 Greenspring Drive, Suite 600 Timonium, MD 21093 Attn: Louis Citron and Edward Mathers Email: […***…]; […***…]	6,389	—

Name and Address of Investor	Number of Shares of Series A Preferred Stock Initially Held	Number of Shares of Series B Preferred Stock Initially Held
Jason Fuller […***…] Email: […***…]	4,630	2,473
The Grey Family Trust dated November 12, 1999 […***…] Attn: Mike Grey Email: […***…]	90,222	—
Susan E. Dubé Trust, dated May 6, 2002 […***…] Attn: Susan Dube Email: […***…]	18,044	—
A. M. Pappas Life Science Ventures V, LP Pappas Capital, LLC 2520 Meridian Parkway, Suite 400 Durham, NC 27713 Attn: Matthew A. Boyer Email: […***…]	1,858,277	549,106
PV V CEO Fund, LP Pappas Capital, LLC 2520 Meridian Parkway, Suite 400 Durham, NC 27713 Attn: Matthew A. Boyer Email: […***…]	150,640	44,513

Name and Address of Investor	Number of Shares of Series A Preferred Stock Initially Held	Number of Shares of Series B Preferred Stock Initially Held
Chiesi Ventures, LP Pappas Capital, LLC 2520 Meridian Parkway, Suite 400 Durham, NC 27713 Attn: Matthew A. Boyer Email: […***…]	1,851,852	593,619
Relativity Healthcare Fund, LLC 2030 Main Street, Suite 1050 Irvine, CA 92614 Attn: Michael Chao, MD Email: […***…]	925,926	296,809
RiverVest Venture Fund III, L.P. RiverVest Venture Partners 101 South Hanley Road, #1850 St. Louis, MO 63105 Attn: Niall O'Donnell Email: […***…] Copy to: Holland & Knight 263 Tresser Boulevard, One Stamford Plaza, Suite 1400 Stamford, CT 06901 Attn: Gloria M. Skigen Email: […***…]	281,159	—

Name and Address of Investor	Number of Shares of Series A Preferred Stock Initially Held	Number of Shares of Series B Preferred Stock Initially Held
RiverVest Venture Fund III (Ohio), L.P. RiverVest Venture Partners 101 South Hanley Road, #1850 St. Louis, MO 63105 Attn: Niall O'Donnell Email: […***…] Copy to: Holland & Knight 263 Tresser Boulevard, One Stamford Plaza, Suite 1400 Stamford, CT 06901 Attn: Gloria M. Skigen Email: […***…]	14,922	—
RiverVest Venture Fund IV, L.P. RiverVest Venture Partners 101 South Hanley Road, #1850 St. Louis, MO 63105 Attn: Niall O'Donnell Email: […***…] Copy to: Holland & Knight 263 Tresser Boulevard, One Stamford Plaza, Suite 1400 Stamford, CT 06901 Attn: Gloria M. Skigen Email: […***…]	4,629,630	1,855,058
RA Capital Healthcare Fund, L.P. 20 Park Plaza, Suite 1200 Boston, MA 02116 Attn: Nicholas McGrath Email: […***…]	229,133	—

Name and Address of Investor	Number of Shares of Series A Preferred Stock Initially Held	Number of Shares of Series B Preferred Stock Initially Held
Blackwell Partners LLC—Series A 280 S. Mangum Street, Suite 210 Durham, NC 27701 Attn: Jannine Lall Email: […***…]	49,278	—
John Kennedy […***…] Email: […***…]	36,088	—
Lundbeckfond Invest A/S Scherfigsvej 7 DK-2100 Copenhagen Ø, Denmark Attn: Johan Kördel, Ph.D. Email: […***…]	4,629,630	1,484,047
Tak Cheung […***…] Email: […***…]	—	2,473

RENEO PHARMACEUTICALS, INC.

2014 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: NOVEMBER 19, 2014
AMENDED BY THE BOARD OF DIRECTORS: DECEMBER 21, 2017
ADOPTED AS AMENDED BY THE STOCKHOLDERS: DECEMBER 21, 2017
AMENDED BY THE BOARD OF DIRECTORS: DECEMBER 3, 2020
ADOPTED AS AMENDED BY THE STOCKHOLDERS: DECEMBER 7, 2020

TERMINATION DATE: NOVEMBER 18, 2024

1. GENERAL.

(a) Eligible Stock Award Recipients. Employees, Directors and Consultants are eligible to receive Stock Awards.

(b) Available Stock Awards. The Plan provides for the grant of the following types of Stock Awards: (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (iii) Stock Appreciation Rights, (iv) Restricted Stock Awards, (v) Restricted Stock Unit Awards and (vi) Other Stock Awards.

(c) Purpose. The Plan, through the granting of Stock Awards, is intended to help the Company secure and retain the services of eligible award recipients, provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate and provide a means by which the eligible recipients may benefit from increases in value of the Common Stock.

2. ADMINISTRATION.

(a) Administration by Board. The Board will administer the Plan. The Board may delegate administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) Powers of Board. The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine (A) who will be granted Stock Awards; (B) when and how each Stock Award will be granted; (C) what type of Stock Award will be granted; (D) the provisions of each Stock Award (which need not be identical), including when a person will be permitted to exercise or otherwise receive cash or Common Stock under the Stock Award; (E) the number of shares of Common Stock subject to a Stock Award; and (F) the Fair Market Value applicable to a Stock Award.

(ii) To construe and interpret the Plan and Stock Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan and Stock

Awards. The Board, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan or in any Stock Award Agreement, in a manner and to the extent it will deem necessary or expedient to make the Plan or Stock Award fully effective.

(iii) To settle all controversies regarding the Plan and Stock Awards granted under it.

(iv) To accelerate, in whole or in part, the time at which a Stock Award may be exercised or vest (or at which cash or shares of Common Stock may be issued).

(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or a Stock Award Agreement, suspension or termination of the Plan will not impair a Participant's rights under his or her then-outstanding Stock Award without his or her written consent except as provided in subsection (viii) below.

(vi) To amend the Plan in any respect the Board deems necessary or advisable, including, without limitation, by adopting amendments relating to Incentive Stock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to make the Plan or Stock Awards granted under the Plan exempt from or compliant with the requirements for Incentive Stock Options or nonqualified deferred compensation under Section 409A of the Code, subject to the limitations, if any, of applicable law. However, if required by applicable law, and except as provided in Section 9(a) relating to Capitalization Adjustments, the Company will seek stockholder approval of any amendment of the Plan that (A) materially increases the number of shares of Common Stock available for issuance under the Plan, (B) materially expands the class of individuals eligible to receive Stock Awards under the Plan, (C) materially increases the benefits accruing to Participants under the Plan, (D) materially reduces the price at which shares of Common Stock may be issued or purchased under the Plan, (E) materially extends the term of the Plan, or (F) materially expands the types of Stock Awards available for issuance under the Plan. Except as provided in the Plan (including subsection (viii) below) or a Stock Award Agreement, no amendment of the Plan will impair a Participant's rights under an outstanding Stock Award without his or her written consent.

(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of Section 422 of the Code regarding Incentive Stock Options.

(viii) To approve forms of Stock Award Agreements for use under the Plan and to amend the terms of any one or more Stock Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Stock Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided however,* that a Participant's rights under any Stock Award will not be impaired by any such amendment unless (A) the Company requests the consent of the affected Participant, and (B) such Participant consents in writing. Notwithstanding the foregoing, (1) a Participant's rights will not be deemed to have been impaired by any such amendment if the Board, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights, and (2) subject to the limitations of applicable law, if any, the Board may

amend the terms of any one or more Stock Awards without the affected Participant's consent (A) to maintain the qualified status of the Stock Award as an Incentive Stock Option under Section 422 of the Code; (B) to change the terms of an Incentive Stock Option, if such change results in impairment of the Award solely because it impairs the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (C) to clarify the manner of exemption from, or to bring the Stock Award into compliance with, Section 409A of the Code; or (D) to comply with other applicable laws.

(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Stock Awards.

(x) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees, Directors or Consultants who are foreign nationals or employed outside the United States (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Stock Award Agreement that are required for compliance with the laws of the relevant foreign jurisdiction).

(xi) To effect, with the consent of any adversely affected Participant, (A) the reduction of the exercise, purchase or strike price of any outstanding Stock Award; (B) the cancellation of any outstanding Stock Award and the grant in substitution therefor of a new (1) Option or SAR, (2) Restricted Stock Award, (3) Restricted Stock Unit Award, (4) Other Stock Award, (5) cash and/or (6) other valuable consideration determined by the Board, in its sole discretion, with any such substituted award (x) covering the same or a different number of shares of Common Stock as the cancelled Stock Award and (y) granted under the Plan or another equity or compensatory plan of the Company; or (C) any other action that is treated as a repricing under generally accepted accounting principles.

(c) Delegation to Committee. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee). Any delegation of administrative powers will be reflected in resolutions, not inconsistent with the provisions of the Plan, adopted from time to time by the Board or Committee (as applicable). The Committee may, at any time, abolish the subcommittee and/or revest in the Committee any powers delegated to the subcommittee. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated.

(d) Delegation to an Officer. The Board may delegate to one or more Officers the authority to do one or both of the following (i) designate Employees who are not Officers to be recipients of Options and SARs (and, to the extent permitted by applicable law, other Stock Awards) and, to the extent permitted by applicable law, the terms of such rights and options, and (ii) determine the number of shares of Common Stock to be subject to such Stock Awards

granted to such Employees; provided, however, that the Board resolutions regarding such delegation will specify the total number of shares of Common Stock that may be subject to the Stock Awards granted by such Officer and that such Officer may not grant a Stock Award to himself or herself. Any such Stock Awards will be granted on the form of Stock Award Agreement most recently approved for use by the Committee or the Board, unless otherwise provided in the resolutions approving the delegation authority. The Board may not delegate authority to an Officer who is acting solely in the capacity of an Officer (and not also as a Director) to determine the Fair Market Value pursuant to Section 13(t) below.

(e) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. SHARES SUBJECT TO THE PLAN.

(a) Share Reserve.

(i) Subject to Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of Common Stock that may be issued pursuant to Stock Awards from and after the Effective Date will not exceed 14,094,797 shares (the "***Share Reserve***").

(ii) For clarity, the Share Reserve in this Section 3(a) is a limitation on the number of shares of Common Stock that may be issued pursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a).

(b) Reversion of Shares to the Share Reserve. If a Stock Award or any portion thereof (i) expires or otherwise terminates without all of the shares covered by such Stock Award having been issued, or (ii) is settled in cash (*i.e.*, the Participant receives cash rather than stock), such expiration, termination or settlement will not reduce (or otherwise offset) the number of shares of Common Stock that may be available for issuance under the Plan. If any shares of Common Stock issued pursuant to a Stock Award are forfeited back to or repurchased by the Company because of the failure to meet a contingency or condition required to vest such shares in the Participant, then the shares that are forfeited or repurchased will revert to and again become available for issuance under the Plan. Any shares reacquired by the Company in satisfaction of tax withholding obligations on a Stock Award or as consideration for the exercise or purchase price of a Stock Award will again become available for issuance under the Plan.

(c) Incentive Stock Option Limit. Subject to the provisions of this Section 3 and Section 9(a) relating to Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options will be 28,189,594 shares of Common Stock.

(d) Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

4. ELIGIBILITY.

(a) Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a "parent corporation" or "subsidiary corporation" thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants; *provided, however*, that Stock Awards may not be granted to Employees, Directors and Consultants who are providing Continuous Service only to any "parent" of the Company, as such term is defined in Rule 405, unless (i) the stock underlying such Stock Awards is treated as "service recipient stock" under Section 409A of the Code (for example, because the Stock Awards are granted pursuant to a corporate transaction such as a spin off transaction), or (ii) the Company, in consultation with its legal counsel, has determined that such Stock Awards are otherwise exempt from or alternatively comply with the distribution requirements of Section 409A of the Code.

(b) Ten Percent Stockholders. A Ten Percent Stockholder will not be granted an Incentive Stock Option unless the exercise price of such Option is at least 110% of the Fair Market Value on the date of grant and the Option is not exercisable after the expiration of five years from the date of grant.

(c) Consultants. A Consultant will not be eligible for the grant of a Stock Award if, at the time of grant, either the offer or sale of the Company's securities to such Consultant is not exempt under Rule 701 because of the nature of the services that the Consultant is providing to the Company, because the Consultant is not a natural person, or because of any other provision of Rule 701, unless the Company determines that such grant need not comply with the requirements of Rule 701 and will satisfy another exemption under the Securities Act as well as comply with the securities laws of all other relevant jurisdictions.

5. PROVISIONS RELATING TO OPTIONS AND STOCK APPRECIATION RIGHTS.

Each Option or SAR will be in such form and will contain such terms and conditions as the Board deems appropriate. All Options will be separately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for shares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The provisions of separate Options or SARs need not be identical; *provided, however*, that each Stock Award Agreement will conform to (through incorporation of provisions hereof by reference in the applicable Stock Award Agreement or otherwise) the substance of each of the following provisions:

(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of 10 years from the date of its grant or such shorter period specified in the Stock Award Agreement.

(b) Exercise Price. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, the exercise or strike price of each Option or SAR will be not less than 100% of the Fair Market Value of the Common Stock subject to the Option or SAR on the date the Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike price lower than 100% of the Fair Market Value of the Common Stock subject to the Award if such Award is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Section 409A of the Code and, if applicable, Section 424(a) of the Code. Each SAR will be denominated in shares of Common Stock equivalents.

(c) Purchase Price for Options. The purchase price of Common Stock acquired pursuant to the exercise of an Option may be paid, to the extent permitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below. The Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to use a particular method of payment. The permitted methods of payment are as follows:

(i) by cash, check, bank draft or money order payable to the Company;

(ii) pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of the stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds;

(iii) by delivery to the Company (either by actual delivery or attestation) of shares of Common Stock;

(iv) if an Option is a Nonstatutory Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; provided, however, that the Company will accept a cash or other payment from the Participant to the extent of any remaining balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued. Shares of Common Stock will no longer be subject to an Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations;

(v) according to a deferred payment or similar arrangement with the Optionholder; *provided, however*, that interest will compound at least annually and will be charged at the minimum rate of interest necessary to avoid (A) the imputation of interest income to the Company and compensation income to the Optionholder under any applicable provisions of the Code, and (B) the classification of the Option as a liability for financial accounting purposes; or

(vi) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Stock Award Agreement.

(d) Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the Company in compliance with the provisions of the Stock Appreciation Right Agreement evidencing such SAR. The appreciation distribution payable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of the exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is vested under such SAR, and with respect to which the Participant is exercising the SAR on such date, over (B) the strike price. The appreciation distribution may be paid in Common Stock, in cash, in any combination of the two or in any other form of consideration, as determined by the Board and contained in the Stock Award Agreement evidencing such SAR.

(e) Transferability of Options and SARs. The Board may, in its sole discretion, impose such limitations on the transferability of Options and SARs as the Board will determine. In the absence of such a determination by the Board to the contrary, the following restrictions on the transferability of Options and SARs will apply:

(i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (and pursuant to subsections (ii) and (iii) below), and will be exercisable during the lifetime of the Participant only by the Participant. The Board may permit transfer of the Option or SAR in a manner that is not prohibited by applicable tax and securities laws. Except as explicitly provided herein, neither an Option nor a SAR may be transferred for consideration.

(ii) Domestic Relations Orders. Subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2). If an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) Beneficiary Designation. Subject to the approval of the Board or a duly authorized Officer, a Participant may, by delivering written notice to the Company, in a form approved by the Company (or the designated broker), designate a third party who, on the death of the Participant, will thereafter be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, the executor or administrator of the Participant's estate will be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a beneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of applicable laws.

(f) Vesting Generally. The total number of shares of Common Stock subject to an Option or SAR may vest and therefore become exercisable in periodic installments that may or

may not be equal. The Option or SAR may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of performance goals or other criteria) as the Board may deem appropriate. The vesting provisions of individual Options or SARs may vary. The provisions of this Section 5(f) are subject to any Option or SAR provisions governing the minimum number of shares of Common Stock as to which an Option or SAR may be exercised.

(g) Termination of Continuous Service. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates (other than for Cause and other than upon the Participant's death or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Stock Award as of the date of termination of Continuous Service) within the period of time ending on the earlier of (i) the date three months following the termination of the Participant's Continuous Service (or such longer or shorter period specified in the applicable Stock Award Agreement, which period will not be less than 30 days if necessary to comply with applicable laws unless such termination is for Cause) and (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR will terminate.

(h) Extension of Termination Date. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if the exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause and other than upon the Participant's death or Disability) would be prohibited at any time solely because the issuance of shares of Common Stock would violate the registration requirements under the Securities Act, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of three months (that need not be consecutive) after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements, or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement. In addition, unless otherwise provided in a Participant's Stock Award Agreement, if the sale of any Common Stock received upon exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause) would violate the Company's insider trading policy, then the Option or SAR will terminate on the earlier of (i) the expiration of a period of months (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the sale of the Common Stock received upon exercise of the Option or SAR would not be in violation of the Company's insider trading policy, or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement.

(i) Disability of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only

within such period of time ending on the earlier of (i) the date 12 months following such termination of Continuous Service (or such longer or shorter period specified in the Stock Award Agreement, which period will not be less than six months if necessary to comply with applicable laws), and (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR (as applicable) will terminate.

(j) Death of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if (i) a Participant's Continuous Service terminates as a result of the Participant's death, or (ii) the Participant dies within the period (if any) specified in the Stock Award Agreement for exercisability after the termination of the Participant's Continuous Service (for a reason other than death), then the Option or SAR may be exercised (to the extent the Participant was entitled to exercise such Option or SAR as of the date of death) by the Participant's estate, by a person who acquired the right to exercise the Option or SAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participant's death, but only within the period ending on the earlier of (i) the date 18 months following the date of death (or such longer or shorter period specified in the Stock Award Agreement, which period will not be less than six months if necessary to comply with applicable laws), and (ii) the expiration of the term of such Option or SAR as set forth in the Stock Award Agreement. If, after the Participant's death, the Option or SAR is not exercised within the applicable time frame, the Option or SAR will terminate.

(k) Termination for Cause. Except as explicitly provided otherwise in a Participant's Stock Award Agreement or other individual written agreement between the Company or any Affiliate and the Participant, if a Participant's Continuous Service is terminated for Cause, the Option or SAR will terminate immediately upon such Participant's termination of Continuous Service, and the Participant will be prohibited from exercising his or her Option or SAR from and after the time of such termination of Continuous Service.

(l) Non-Exempt Employees. If an Option or SAR is granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, the Option or SAR will not be first exercisable for any shares of Common Stock until at least six months following the date of grant of the Option or SAR (although the Stock Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity Act, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporate Transaction in which such Option or SAR is not assumed, continued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participant's retirement (as such term may be defined in the Participant's Stock Award Agreement in another agreement between the Participant and the Company, or, if no such definition, in accordance with the Company's then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted

and/or required for compliance with the Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employee's regular rate of pay, the provisions of this Section 5(l) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.

(m) Early Exercise of Options. An Option may, but need not, include a provision whereby the Optionholder may elect at any time before the Optionholder's Continuous Service terminates to exercise the Option as to any part or all of the shares of Common Stock subject to the Option prior to the full vesting of the Option. Subject to the "Repurchase Limitation" in Section 8(m), any unvested shares of Common Stock so purchased may be subject to a repurchase right in favor of the Company or to any other restriction the Board determines to be appropriate. Provided that the "Repurchase Limitation" in Section 8(m) is not violated, the Company will not be required to exercise its repurchase right until at least six months (or such longer or shorter period of time required to avoid classification of the Option as a liability for financial accounting purposes) have elapsed following exercise of the Option unless the Board otherwise specifically provides in the Option Agreement.

(n) Right of Repurchase. Subject to the "Repurchase Limitation" in Section 8(m), the Option or SAR may include a provision whereby the Company may elect to repurchase all or any part of the vested shares of Common Stock acquired by the Participant pursuant to the exercise of the Option or SAR.

(o) Right of First Refusal. The Option or SAR may include a provision whereby the Company may elect to exercise a right of first refusal following receipt of notice from the Participant of the intent to transfer all or any part of the shares of Common Stock received upon the exercise of the Option or SAR. Such right of first refusal will be subject to the "Repurchase Limitation" in Section 8(m). Except as expressly provided in this Section 5(o) or in the Stock Award Agreement, such right of first refusal will otherwise comply with any applicable provisions of the bylaws of the Company.

6. PROVISIONS OF STOCK AWARDS OTHER THAN OPTIONS AND SARS.

(a) Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as the Board deems appropriate. To the extent consistent with the Company's bylaws, at the Board's election, shares of Common Stock may be (i) held in book entry form subject to the Company's instructions until any restrictions relating to the Restricted Stock Award lapse; or (ii) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of Restricted Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award Agreements need not be identical. Each Restricted Stock Award Agreement will conform to (through incorporation of the provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. A Restricted Stock Award may be awarded in consideration for (A) cash, check, bank draft or money order payable to the Company, (B) past

services to the Company or an Affiliate, or (C) any other form of legal consideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. Subject to the "Repurchase Limitation" in Section 8(m), shares of Common Stock awarded under the Restricted Stock Award Agreement may be subject to forfeiture to the Company in accordance with a vesting schedule to be determined by the Board.

(iii) Termination of Participant's Continuous Service. If a Participant's Continuous Service terminates, the Company may receive through a forfeiture condition or a repurchase right, any or all of the shares of Common Stock held by the Participant that have not vested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreement.

(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by the Participant only upon such terms and conditions as are set forth in the Restricted Stock Award Agreement, as the Board will determine in its sole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted Stock Award Agreement.

(v) Dividends. A Restricted Stock Award Agreement may provide that any dividends paid on Restricted Stock will be subject to the same vesting and forfeiture restrictions as apply to the shares subject to the Restricted Stock Award to which they relate.

(b) Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and conditions as the Board deems appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical. Each Restricted Stock Unit Award Agreement will conform to (through incorporation of the provisions hereof by reference in the Agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be paid by the Participant upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if any) by the Participant for each share of Common Stock subject to a Restricted Stock Unit Award may be paid in any form of legal consideration that may be acceptable to the Board in its sole discretion and permissible under applicable law.

(ii) Vesting. At the time of the grant of a Restricted Stock Unit Award, the Board may impose such restrictions on or conditions to the vesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate.

(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any combination thereof or in any other form

of consideration, as determined by the Board and contained in the Restricted Stock Unit Award Agreement.

(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted Stock Unit Award to a time after the vesting of such Restricted Stock Unit Award.

(v) Dividend Equivalents. Dividend equivalents may be credited in respect of shares of Common Stock covered by a Restricted Stock Unit Award, as determined by the Board and contained in the Restricted Stock Unit Award Agreement. At the sole discretion of the Board, such dividend equivalents may be converted into additional shares of Common Stock covered by the Restricted Stock Unit Award in such manner as determined by the Board. Any additional shares covered by the Restricted Stock Unit Award credited by reason of such dividend equivalents will be subject to all of the same terms and conditions of the underlying Restricted Stock Unit Award Agreement to which they relate.

(vi) Termination of Participant's Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award Agreement, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participant's termination of Continuous Service.

(vii) Compliance with Section 409A of the Code. Notwithstanding anything to the contrary set forth herein, any Restricted Stock Unit Award granted under the Plan that is not exempt from the requirements of Section 409A of the Code shall contain such provisions so that such Restricted Stock Unit Award will comply with the requirements of Section 409A of the Code. Such restrictions, if any, shall be determined by the Board and contained in the Restricted Stock Unit Award Agreement evidencing such Restricted Stock Unit Award. For example, such restrictions may include, without limitation, a requirement that any Common Stock that is to be issued in a year following the year in which the Restricted Stock Unit Award vests must be issued in accordance with a fixed pre-determined schedule.

(c) Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof (e.g., options or stock rights with an exercise price or strike price less than 100% of the Fair Market Value of the Common Stock at the time of grant) may be granted either alone or in addition to Stock Awards provided for under Section 5 and the preceding provisions of this Section 6. Subject to the provisions of the Plan, the Board will have sole and complete authority to determine the persons to whom and the time or times at which such Other Stock Awards will be granted, the number of shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awards and all other terms and conditions of such Other Stock Awards.

7. COVENANTS OF THE COMPANY.

(a) Availability of Shares. The Company will keep available at all times the number of shares of Common Stock reasonably required to satisfy then-outstanding Stock Awards.

(b) Securities Law Compliance. The Company will seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Stock Awards and to issue and sell shares of Common Stock upon exercise of the Stock Awards; *provided, however,* that this undertaking will not require the Company to register under the Securities Act the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise of such Stock Awards unless and until such authority is obtained. A Participant will not be eligible for the grant of a Stock Award or the subsequent issuance of cash or Common Stock pursuant to the Stock Award if such grant or issuance would be in violation of any applicable securities law.

(c) No Obligation to Notify or Minimize Taxes. The Company will have no duty or obligation to any Participant to advise such holder as to the time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of a Stock Award or a possible period in which the Stock Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of a Stock Award to the holder of such Stock Award.

8. MISCELLANEOUS.

(a) Use of Proceeds from Sales of Common Stock. Proceeds from the sale of shares of Common Stock pursuant to Stock Awards will constitute general funds of the Company.

(b) Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of a Stock Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Stock Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Stock Award Agreement as a result of a clerical error in the papering of the Stock Award Agreement, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Stock Award Agreement.

(c) Stockholder Rights. No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to a Stock

Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance of shares of Common Stock under, the Stock Award pursuant to its terms, and (ii) the issuance of the Common Stock subject to the Stock Award has been entered into the books and records of the Company.

(d) No Employment or Other Service Rights. Nothing in the Plan, any Stock Award Agreement or any other instrument executed thereunder or in connection with any Stock Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Stock Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

(e) Change in Time Commitment. 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) after the date of grant of any Stock Award to the Participant, the Board has the right in its sole discretion to (x) make a corresponding reduction in the number of shares subject to any portion of such Stock Award that is scheduled to vest or become payable after the date of such change in time commitment, and (y) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Stock Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Stock Award that is so reduced or extended.

(f) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock 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 Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(g) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Stock Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Stock Award; and (ii) to give written assurances satisfactory to the

Company stating that the Participant is acquiring Common Stock subject to the Stock Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if (A) the issuance of the shares upon the exercise or acquisition of Common Stock under the Stock Award has been registered under a then currently effective registration statement under the Securities Act, or (B) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(h) Withholding Obligations. Unless prohibited by the terms of a Stock Award Agreement, the Company may, in its sole discretion, satisfy any federal, state or local tax withholding obligation relating to a Stock Award by any of the following means (in addition to the Company's right to withhold from any compensation paid to the Participant by the Company) or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Stock Award; *provided, however*, that no shares of Common Stock are withheld with a value exceeding the minimum amount of tax required to be withheld by law (or such lesser amount as may be necessary to avoid classification of the Stock Award as a liability for financial accounting purposes); (iii) withholding cash from a Stock Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; or (v) by such other method as may be set forth in the Stock Award Agreement.

(i) Electronic Delivery. Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access).

(j) Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Stock Award may be deferred and may establish programs and procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise providing services to the Company. The Board is authorized to make deferrals of Stock Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant's termination of Continuous Service, and implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.

(k) Compliance with Section 409A. To the extent that the Board determines that any Stock Award granted hereunder is subject to Section 409A of the Code, the Stock Award Agreement evidencing such Stock Award shall incorporate the terms and conditions necessary to

avoid the consequences specified in Section 409A(a)(1) of the Code. To the extent applicable, the Plan and Stock Award Agreements shall be interpreted in accordance with Section 409A of the Code.

(l) Compliance with Exemption Provided by Rule 12h-1(f). If at the end of the Company's most recently completed fiscal year: (i) the aggregate of the number of persons who hold outstanding compensatory employee stock options to purchase shares of Common Stock granted pursuant to the Plan or otherwise (such persons, "***Holders of Options***") equals or exceeds five hundred (500), and (ii) the Company's assets exceed $10 million, then the following restrictions will apply during any period during which the Company does not have a class of its securities registered under Section 12 of the Exchange Act and is not required to file reports under Section 15(d) of the Exchange Act: (A) the Options and, prior to exercise, the shares of Common Stock to be issued on exercise of the Options may not be transferred until the Company is no longer relying on the exemption provided by Rule 12h-1(f) promulgated under the Exchange Act ("***Rule 12h-1(f)***"), except: (1) as permitted by Rule 701(c) promulgated under the Securities Act, (2) to a guardian upon the disability of the Holder of Options, or (3) to an executor upon the death of the Holder of Options (collectively, the "***Permitted Transferees***"); provided, however, the following transfers are permitted: (i) transfers by Holders of Options to the Company, and (ii) transfers in connection with a change of control or other acquisition involving the Company, if following such transaction, the Options no longer remain outstanding and the Company is no longer relying on the exemption provided by Rule 12h-1(f); provided further, that any Permitted Transferees may not further transfer the Options; (B) except as otherwise provided in (A) above, the Options and shares of Common Stock issuable on exercise of the Options are restricted as to any pledge, hypothecation, or other transfer, including any short position, any "put equivalent position" as defined by Rule 16a-1(h) promulgated under the Exchange Act, or any "call equivalent position" as defined by Rule 16a-1(b) promulgated under the Exchange Act by Holders of Options prior to exercise of an Option until the Company is no longer relying on the exemption provided by Rule 12h-1(f); and (C) at any time that the Company is relying on the exemption provided by Rule 12h-1(f), the Company will deliver to Holders of Options (whether by physical or electronic delivery or written notice of the availability of the information on an internet site) the information required by Rule 701(e)(3), (4), and (5) promulgated under the Securities Act every six months, including financial statements that are not more than 180 days old; provided, however, that the Company may condition the delivery of such information upon the Holder of Options' agreement to maintain its confidentiality.

(m) Repurchase Limitation. The terms of any repurchase right will be specified in the Stock Award Agreement. The repurchase price for vested shares of Common Stock will be the Fair Market Value of the shares of Common Stock on the date of repurchase. The repurchase price for unvested shares of Common Stock will be the lower of (i) the Fair Market Value of the shares of Common Stock on the date of repurchase or (ii) their original purchase price. However, the Company will not exercise its repurchase right until at least six months (or such longer or shorter period of time necessary to avoid classification of the Stock Award as a liability for financial accounting purposes) have elapsed following delivery of shares of Common Stock subject to the Stock Award, unless otherwise specifically provided by the Board.

9. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; OTHER CORPORATE EVENTS.

(a) Capitalization Adjustments. In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c), and (iii) the class(es) and number of securities and price per share of stock subject to outstanding Stock Awards. The Board will make such adjustments, and its determination will be final, binding and conclusive.

(b) Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Stock Awards (other than Stock Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing Continuous Service, *provided, however,* that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Corporate Transaction. The following provisions will apply to Stock Awards in the event of a Corporate Transaction unless otherwise provided in the instrument evidencing the Stock Award or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Board at the time of grant of a Stock Award. In the event of a Corporate Transaction, then, notwithstanding any other provision of the Plan, the Board may take one or more of the following actions with respect to Stock Awards, contingent upon the closing or completion of the Corporate Transaction:

(i) arrange for the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) to assume or continue the Stock Award or to substitute a similar stock award for the Stock Award (including, but not limited to, an award to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate Transaction);

(ii) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to the Stock Award to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company);

(iii) accelerate the vesting, in whole or in part, of the Stock Award (and, if applicable, the time at which the Stock Award may be exercised) to a date prior to the effective time of such Corporate Transaction as the Board determines (or, if the Board does not determine such a date, to the date that is five days prior to the effective date of the Corporate Transaction),

with such Stock Award terminating if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction; provided, however, that the Board may require Participants to complete and deliver to the Company a notice of exercise before the effective date of a Corporate Transaction, which exercise is contingent upon the effectiveness of such Corporate Transaction;

(iv) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Stock Award;

(v) cancel or arrange for the cancellation of the Stock Award, to the extent not vested or not exercised prior to the effective time of the Corporate Transaction, in exchange for such cash consideration, if any, as the Board, in its sole discretion, may consider appropriate; and

(vi) make a payment, in such form as may be determined by the Board equal to the excess, if any, of (A) the value of the property the Participant would have received upon the exercise of the Stock Award immediately prior to the effective time of the Corporate Transaction, over (B) any exercise price payable by such holder in connection with such exercise. For clarity, this payment may be zero if the value of the property is equal to or less than the exercise price. Payments under this provision may be delayed to the same extent that payment of consideration to the holders of the Company's Common Stock in connection with the Corporate Transaction is delayed as a result of escrows, earn outs, holdbacks or any other contingencies.

The Board need not take the same action or actions with respect to all Stock Awards or portions thereof or with respect to all Participants. The Board may take different actions with respect to the vested and unvested portions of a Stock Award.

(d) Change in Control. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a Change in Control as may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written agreement between the Company or any Affiliate and the Participant, but in the absence of such provision, no such acceleration will occur.

10. PLAN TERM; EARLIER TERMINATION OR SUSPENSION OF THE PLAN.

(a) Plan Term. The Board may suspend or terminate the Plan at any time. Unless terminated sooner by the Board, the Plan will automatically terminate on the day before the 10th anniversary of the earlier of (i) the date the Plan is adopted by the Board, or (ii) the date the Plan is approved by the stockholders of the Company. No Stock Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

(b) No Impairment of Rights. Suspension or termination of the Plan will not impair rights and obligations under any Stock Award granted while the Plan is in effect except with the written consent of the affected Participant or as otherwise permitted in the Plan.

11. EFFECTIVE DATE OF PLAN.

This Plan will become effective on the Effective Date.

12. CHOICE OF LAW.

The law of the State of California will govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

13. DEFINITIONS. As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "***Affiliate***" means, at the time of determination, any "parent" or "majority-owned subsidiary" of the Company, as such terms are defined in Rule 405. The Board will have the authority to determine the time or times at which "parent" or "majority-owned subsidiary" status is determined within the foregoing definition.

(b) "***Board***" means the Board of Directors of the Company.

(c) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(d) "***Cause***" will have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) such Participant's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (ii) such Participant's attempted commission of, or participation in, a fraud or act of dishonesty against the Company; (iii) such Participant's intentional, material violation of any contract or agreement between the Participant and the Company or of any statutory duty owed to the Company; (iv) such Participant's unauthorized use or disclosure of the Company's confidential information or trade secrets; or (v) such Participant's gross misconduct. The determination that a termination of the Participant's Continuous Service is either for Cause or without Cause will be made by the Company, in its sole discretion. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Stock Awards held by such Participant will have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(e) "***Change in Control***" means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities or (C) solely because the level of Ownership held by any Exchange Act Person (the "***Subject Person***") exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction; or

(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition.

Notwithstanding the foregoing definition or any other provision of this Plan, (A) the term Change in Control will not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant will supersede the foregoing definition with respect

to Stock Awards subject to such agreement; *provided, however,* that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the foregoing definition will apply.

(f) "***Code***" means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(g) "***Committee***" means a committee of two or more Directors to whom authority has been delegated by the Board in accordance with Section 2(c).

(h) "***Common Stock***" means the common stock of the Company.

(i) "***Company***" means Reneo Pharmaceuticals, Inc., a Delaware corporation.

(j) "***Consultant***" means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a "Consultant" for purposes of the Plan.

(k) "***Continuous Service***" means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Consultant or Director or a change in the Entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service; *provided, however*, that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board in its sole discretion, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. For example, a change in status from an Employee of the Company to a Consultant of an Affiliate or to a Director will not constitute an interruption of Continuous Service. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in a Stock Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law.

(l) "***Corporate Transaction***" means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of at least 90% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

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

(n) "***Disability***" means, with respect to a Participant, the inability of such Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(o) "***Effective Date***" means the effective date of this Plan, which is the earlier of (i) the date that this Plan is first approved by the Company's stockholders, and (ii) the date this Plan is adopted by the Board.

(p) "***Employee***" means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(q) "***Entity***" means a corporation, partnership, limited liability company or other entity.

(r) "***Exchange Act***" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(s) "***Exchange Act Person***" means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities.

(t) "***Fair Market Value***" means, as of any date, the value of the Common Stock determined by the Board in compliance with Section 409A of the Code or, in the case of an Incentive Stock Option, in compliance with Section 422 of the Code.

(u) "***Incentive Stock Option***" means an option granted pursuant to Section 5 of the Plan that is intended to be, and that qualifies as, an "incentive stock option" within the meaning of Section 422 of the Code.

(v) "***Nonstatutory Stock Option***" means any option granted pursuant to Section 5 of the Plan that does not qualify as an Incentive Stock Option.

(w) "***Officer***" means any person designated by the Company as an officer.

(x) "***Option***" means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(y) "***Option Agreement***" means a written agreement between the Company and an Optionholder evidencing the terms and conditions of an Option grant. Each Option Agreement will be subject to the terms and conditions of the Plan.

(z) "***Optionholder***" means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(aa) "***Other Stock Award***" means an award based in whole or in part by reference to the Common Stock which is granted pursuant to the terms and conditions of Section 6(c).

(bb) "***Other Stock Award Agreement***" means a written agreement between the Company and a holder of an Other Stock Award evidencing the terms and conditions of an Other Stock Award grant. Each Other Stock Award Agreement will be subject to the terms and conditions of the Plan.

(cc) "***Own***," "***Owned***," "***Owner***," "***Ownership***" A person or Entity will be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(dd) "***Participant***" means a person to whom a Stock Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Stock Award.

(ee) "***Plan***" means this Reneo Pharmaceuticals, Inc. 2014 Equity Incentive Plan.

(ff) "***Restricted Stock Award***" means an award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(a).

(gg) "***Restricted Stock Award Agreement***" means a written agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a

Restricted Stock Award grant. Each Restricted Stock Award Agreement will be subject to the terms and conditions of the Plan.

(hh) "***Restricted Stock Unit Award***" means a right to receive shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(b).

(ii) "***Restricted Stock Unit Award Agreement***" means a written agreement between the Company and a holder of a Restricted Stock Unit Award evidencing the terms and conditions of a Restricted Stock Unit Award grant. Each Restricted Stock Unit Award Agreement will be subject to the terms and conditions of the Plan.

(jj) "***Rule 405***" means Rule 405 promulgated under the Securities Act.

(kk) "***Rule 701***" means Rule 701 promulgated under the Securities Act.

(ll) "***Securities Act***" means the Securities Act of 1933, as amended.

(mm) "***Stock Appreciation Right***" or "***SAR***" means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 5.

(nn) "***Stock Appreciation Right Agreement***" means a written agreement between the Company and a holder of a Stock Appreciation Right evidencing the terms and conditions of a Stock Appreciation Right grant. Each Stock Appreciation Right Agreement will be subject to the terms and conditions of the Plan.

(oo) "***Stock Award***" means any right to receive Common Stock granted under the Plan, including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, a Restricted Stock Unit Award, a Stock Appreciation Right or any Other Stock Award.

(pp) "***Stock Award Agreement***" means a written agreement between the Company and a Participant evidencing the terms and conditions of a Stock Award grant. Each Stock Award Agreement will be subject to the terms and conditions of the Plan.

(qq) "***Subsidiary***" means, with respect to the Company, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.

(rr) "***Ten Percent Stockholder***" means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any Affiliate.

UK SUB-PLAN

TO THE RENEO PHARMACEUTICALS, INC. 2014 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD ON JANUARY 31, 2018

This sub-plan (the "**UK Sub-Plan**") to the Reneo Pharmaceuticals Inc., 2014 Equity Incentive Plan (the "**Plan**") governs the grant of Stock Awards to United Kingdom Employees, and has been adopted in accordance with Section 2(b)(x) of the Plan. The UK Sub-Plan incorporates all the provisions of the Plan except as modified in accordance with the provisions of this UK Sub-Plan.

EMI Options may only be granted for the purpose as set out in paragraph 4 of Schedule 5 (that is, for commercial reasons in order to recruit or retain Eligible Employees and not as part of a scheme or arrangement the main purpose, or one of the main purposes of which, is the avoidance of tax).

For the purposes of the UK Sub-Plan, the provisions of the Plan shall operate subject to the following modifications:

1. **DEFINITIONS**

Any capitalized terms not already defined in the Plan shall be as defined in the UK Sub-Plan.

For the purposes of the UK Sub-Plan, the following definitions in the Plan shall be replaced as set out below:

"**Fair Market Value**" means the market value of a share of Common Stock as defined in paragraph 55 of Schedule 5 and determined in accordance with paragraph 56 of Schedule 5 and paragraph 5(7) of Schedule 5 (in respect of the Individual EMI Limit).

"**Nonstatutory Stock Option**" means a right granted or to be granted to an Employee pursuant to the UK Sub-Plan that does not qualify as an EMI Option satisfying the provisions of Schedule 5.

"**Option**" means a Nonstatutory Stock Option or an EMI Option to purchase shares of Common Stock granted pursuant to the Plan.

2. **ELIGIBILITY**

Only Employees (including Directors who are Employees) may be granted Stock Awards (other than EMI Options) under the UK Sub-Plan, and only Eligible Employees may be granted EMI Options under the UK Sub-Plan and Sections 1(a) and 4(a) of the Plan shall be read and construed to take effect accordingly. Section 4(c) of the Plan shall not apply.

3. **EMI OPTION REQUIREMENTS**

An Option granted under the UK Sub-Plan shall only be an EMI Option if the shares of Common Stock which may be acquired satisfy the conditions specified in paragraph 35 (1) of Schedule 5 (ordinary shares, fully paid up and not redeemable).

EMI Options may only be granted if at the date of grant of the EMI Option:

(a) the Company is independent in accordance with paragraph 9 of Schedule 5, that is, it is not:

i. a 51% Subsidiary of another company; or

ii. under the Control of another company; or another company and any other person Connected with that company,

and there are no arrangements in existence (except for arrangements with a view to a Qualifying Exchange of Shares) by virtue of which the Company could become within (i) or (ii) above;

(b) the Company, or the Group as the case may be, meets the trading activities requirements as set out in paragraphs 13 and 14 and read with paragraphs 15 to 23 of Schedule 5;

(c) the Company's subsidiaries are Qualifying Subsidiaries and, where appropriate, qualifying property managing subsidiaries as set out in paragraph 11A of Schedule 5;

(d) the Group meets the requirement as to the number of employees set out in paragraph 12A of Schedule 5 (currently 250 full-time equivalents); and

(e) the Gross Assets Limit is not exceeded (currently £30 million).

4. **BOARD DISCRETION**

Where the Board is aware that the exercise of any of its powers under the Plan would constitute a Disqualifying Event or would otherwise impact on the tax treatment of an EMI Option or the shares of Common Stock subject thereto, the Board shall notify the Participant as such prior to the exercise of its powers.

5. **EMI OPTION AGREEMENT**

For the purposes of Section 5 of the Plan, EMI Options granted under the UK Sub-Plan shall be made by EMI Option Agreement being a written agreement between the Participant and the Company in a form determined by the Board for the time being, and shall be evidence of the Participant's agreement to the terms of this UK Sub-Plan and shall include all details required pursuant to paragraph 37 of Schedule 5, including:

(a) the date of grant;

(b) that the EMI Option is granted under the provisions of Schedule 5;

(c) any conditions that must be met before an EMI Option may be exercised;

(d) the number, or maximum number, of shares of Common Stock that may be acquired;

(e) the exercise price payable or the method by which the exercise price is to be determined;

(f) when and how it may be exercised; and

(g) any restrictions that cause the shares of Common Stock to be Restricted Securities.

6. PURCHASE PRICE FOR EMI OPTIONS

In relation to EMI Options, Sections 5(c)(ii), (iii), (iv) and (v) of the Plan shall not apply.

7. HMRC NOTICE OF GRANT

The Company shall give notice to HMRC of the grant of an EMI Option in such form as may be required by HMRC from time to time within 92 days thereof.

Failure of the Company to give notice to HMRC of the grant in a proper and timely manner for whatever reason shall result in the Option subsisting as a Nonstatutory Stock Option.

The Company does not warrant that any Option qualifies as an EMI Option and the Company does not have any obligation whatsoever to a Participant in the event that an Option is or becomes a Nonstatutory Stock Option for any reason whatsoever including any deliberate action on the part of the Company.

8. NONSTATUTORY STOCK OPTIONS

If an Option intended to be an EMI Option does not qualify under Schedule 5, the Option shall subsist as a Nonstatutory Stock Option.

9. LIMITATIONS ON GRANTS OF EMI OPTIONS

(a) Subject to paragraphs (b) and (c) below, the grant of an EMI Option shall be limited and shall take effect so that the Individual EMI Limit and the Individual Three Year EMI Limit are not exceeded;

(b) Where the Board grants an option intended to be an EMI Option to an Eligible Employee which causes the aggregate Fair Market Value of his unexercised EMI Options and CSOP Options granted by reason of his employment within the Group to exceed the Individual EMI Limit, the Option so far as it relates to the excess number of shares of Common Stock that cause the Individual EMI Limit to be exceeded shall continue to subsist as a Nonstatutory Stock Option.

(c) Where the Board grants an Option intended to be an EMI Option to an Eligible Employee which by virtue of the Individual Three Year EMI Limit is a Nonstatutory Stock Option, the Option shall continue to subsist as a Nonstatutory Stock Option.

(d) An EMI Option cannot be granted if the Company EMI Limit is already exceeded.

(e) Notwithstanding paragraph (d) above, where the Board grants one or more options intended to be EMI Options to one or more Eligible Employees when the Company EMI Limit is already exceeded, the Options shall subsist as Nonstatutory Stock Options.

(f) Where the Board grants one or more options intended to be EMI Options to one or more Eligible Employees which either individually or taken together would cause the Company EMI Limit to be exceeded, each option shall, so far as it relates to the excess number of shares of Common Stock that cause the Company EMI Limit to be exceeded as determined in accordance with paragraph 7(5) of Schedule 5, continue to subsist as a Nonstatutory Stock Option.

(g) No option may be exercised as an EMI Option by a person who is excluded from participation in the Plan by virtue of paragraph 29 of Schedule 5 (interest in more than 30% of ordinary share capital of the Company).

10. **RESTRICTIONS ON TRANSFER**

Notwithstanding Section 5(e) of the Plan, a Stock Award granted under the UK Sub-Plan shall be personal to the Participant to whom it is granted and shall not be capable of being transferred, assigned or charged except that a Participant's Stock Award may be transmitted to the Participant's personal representatives on his death. Participants may not designate a third party to be a beneficiary of his Stock Award after his death.

11. **NO EMPLOYMENT OR OTHER SERVICE RIGHTS**

The following additional wording shall be included at the end of Section 8(d) of the Plan:

"The grant of a Stock Award will not form part of the Participant's entitlement to remuneration or benefits pursuant to his contract of employment nor does the existence of a contract of employment between a person and the Company or any Affiliate give any right or expectation that a Stock Award will be granted to him. The rights and obligations of a Participant under the terms of his contract of employment with the Company or any Affiliate shall not be affected by the grant of a Stock Award. A Participant waives all and any rights to compensation or damages under the Plan in consequence of the termination of the Participant's office or employment with the Company or an Affiliate for any reason (including, without limitation, any breach of contract by his employer)."

12. **UK WITHHOLDING OBLIGATIONS**

The following additional wording shall be included at the end of Section 8 of the Plan:

(n) **UK Tax Liability** Participant shall, unconditionally and irrevocably agree as a condition of the vesting or exercise of his Stock Award (as appropriate):

(i) to place the Company in funds and indemnify the Company in respect of (1) all liability to UK income tax which the Company is liable to account for on behalf of the Participant directly to HMRC; (2) all liability to national insurance contributions which the Company is liable to account for on behalf of the Participant to HMRC (including secondary class 1 (employer's) national insurance contributions for which the Participant is liable having agreed to pay); and (3) to the extent legally permitted, all liability to national insurance contributions for which the Company is liable, which in all cases arise as a consequence of or in connection with the vesting or exercise of the Stock Award, the entering into of any tax election as detailed below or the ownership of Common Stock by virtue of such exercise including, without limitation, in respect of any liability arising under or in connection with Part 7 or Part 7A of the Income Tax (Earnings and Pensions) Act 2003 ("**ITEPA**") (the "**UK Tax Liability**"); or

(ii) to permit the Company to sell at the best price which it can reasonably obtain such number of shares of Common Stock allocated or allotted to the Participant following exercise or vesting (as the case may be) of his Stock Award as will provide the Company with an amount equal to the UK Tax Liability; and to permit the Company to withhold an amount not exceeding the UK Tax Liability from any payment made to the Participant (including, but not limited to salary); and

(iii) if so required by the Company, and, to the extent permitted by law, to enter into a joint election or other arrangements under which the liability for all or part of such employer's national insurance contributions liability is transferred to the Participant; and

(iv) if so required by the Company, to enter into a joint election within Section 431 of ITEPA in respect of computing any tax charge on the acquisition of "restricted securities" (as defined in Section 423 and 424 of ITEPA); and

(v) to sign, promptly, all documents required by the Company to effect the terms of this Section and references in this Section to "the Company" shall, if applicable, be construed as also referring to any Affiliate."

13. **DEFINITIONS IN THE UK SUB-PLAN**

"Committed Time" means the time an Eligible Employee is required to spend on the business of the Company or any Qualifying Subsidiary (including any time which the Employee would have been so required to spend but for Permitted Absence) as defined in paragraph 26(2) of Schedule 5;

"Company EMI Limit" means the total value of shares of Common Stock in respect of which unexercised EMI Options exist being not more than £3 million or such other amount as may from time to time be specified in paragraph 7 of Schedule 5;

"**Connected**" has the meaning given by Section 718 of ITEPA;

"**Control**" has the meaning given by Section 719 of ITEPA;

"**CSOP Options**" means an option granted pursuant to Schedule 4 of ITEPA;

"Disqualifying Event" means an event specified in Sections 534 to 536 inclusive of ITEPA;

"Eligible Employee" means an individual who at the date of grant of an EMI Option is:

(i) an Employee of the Company or a Qualifying Subsidiary whose Committed Time is at least 25 hours per week, or, if less, 75% of his "working time" as defined in paragraph 27 of Schedule 5; and

(ii) not precluded from such participation by paragraph 28 of Schedule 5 (no material interest);

"EMI Option" means an option granted under this UK Sub-Plan which is a qualifying option for the purposes of the EMI Code as defined in section 527(4) of ITEPA;

"EMI Option Agreement" means the written agreement evidencing the grant of an EMI Option containing the terms set out in paragraph 5 of this UK Sub-Plan;

Gross Assets Limit" means £30 million or such other amount as may from time to time be specified in paragraph 12 of Schedule 5;

"**Group**" means the Company and its Qualifying Subsidiaries and the phrase "Group Company" shall be construed accordingly;

"HMRC" means Her Majesty's Revenue and Customs;

"**Individual EMI Limit**" means £250,000 less £1 or such other amount as may from time to time be specified in paragraph 5 of Schedule 5 less £1;

"Individual Three Year EMI Limit" means £250,000 or such other amount as may from time to time be specified in paragraph 6 of Schedule 5;

"ITEPA" means the Income Tax (Earnings & Pensions) Act 2003;

"Permitted Absence" means the time spent as set out in paragraph 26(3) of Schedule 5 (summarised as absence from work for injury, ill-health or disability, pregnancy, childbirth, maternity or paternity leave or parental leave, reasonable holiday entitlement or not being required to work during a period of notice of termination of employment);

"Qualifying Exchange of Shares" means arrangements which meet the conditions of paragraph 40 of Schedule 5;

"Qualifying Subsidiary" has the meaning given in paragraph 11 of Schedule 5;

"Restricted Securities" has the meaning given in section 423 of ITEPA; and

"Schedule 5" means Schedule 5 to ITEPA as amended from time to time.

RENEO PHARMACEUTICALS, INC.
STOCK OPTION GRANT NOTICE
(2014 EQUITY INCENTIVE PLAN)

Reneo Pharmaceuticals, Inc. (the "***Company***"), pursuant to its 2014 Equity Incentive Plan (the "***Plan***"), hereby grants to Optionholder an option to purchase the number of shares of the Company's Common Stock set forth below. This option is subject to all of the terms and conditions as set forth herein, in the Option Agreement, the Plan and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Option Agreement will have the same definitions as in the Plan or the Option Agreement. If there is any conflict between the terms herein and the Plan, the terms of the Plan will control.

Optionholder:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Shares Subject to Option:	_____
Exercise Price (Per Share):	_____
Total Exercise Price:	_____
Expiration Date:	_____

Type of Grant: ☐ Incentive Stock Option[1] ☐ Nonstatutory Stock Option

Exercise Schedule: ☐ Same as Vesting Schedule ☐ Early Exercise Permitted

Vesting Schedule: [1/4th of the shares vest one year after the Vesting Commencement Date; the balance of the shares vest in a series of 36 successive equal monthly installments measured from the first anniversary of the Vesting Commencement Date, subject to Optionholder's Continuous Service as of each such date.]

Payment: By one or a combination of the following items (described in the Option Agreement):

☐ By cash, check, bank draft or money order payable to the Company
☐ Pursuant to a Regulation T Program if the shares are publicly traded
☐ By delivery of already-owned shares if the shares are publicly traded
☐ By deferred payment
☐ If and only to the extent this option is a Nonstatutory Stock Option, and subject to the Company's consent at the time of exercise, by a "net exercise" arrangement

1 If this is an Incentive Stock Option, it (plus other outstanding Incentive Stock Options) cannot be first exercisable for more than $100,000 in value (measured by exercise price) in any calendar year. Any excess over $100,000 is a Nonstatutory Stock Option.

Additional Terms/Acknowledgements: Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except as provided in the Plan. By accepting this option, Optionholder consents to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of (i) options or other compensatory stock awards previously granted and delivered to Optionholder, and (ii) the following agreements only.

OTHER AGREEMENTS: _____

_____

RENEO PHARMACEUTICALS, INC.

By: _____
Signature

Title: _____

Date: _____

OPTIONHOLDER:

_____
Signature

Date: _____

ATTACHMENTS: Option Agreement, 2014 Equity Incentive Plan and Notice of Exercise

ATTACHMENT I

OPTION AGREEMENT

RENEO PHARMACEUTICALS, INC.
2014 EQUITY INCENTIVE PLAN

OPTION AGREEMENT
(INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice ("***Grant Notice***") and this Option Agreement, Reneo Pharmaceuticals, Inc. (the "***Company***") has granted you an option under its 2014 Equity Incentive Plan (the "***Plan***") to purchase the number of shares of the Company's Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the "***Date of Grant***"). If there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan will have the same definitions as in the Plan.

The details of your option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. VESTING. Your option will vest as provided in your Grant Notice. Vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of shares of Common Stock subject to your option and your exercise price per share in your Grant Notice will be adjusted for Capitalization Adjustments.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. If you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a "***Non-Exempt Employee***"), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six months of Continuous Service measured from the Date of Grant.

4. EXERCISE PRIOR TO VESTING ("*EARLY EXERCISE*"). If permitted in your Grant Notice (*i.e.*, the "Exercise Schedule" indicates "Early Exercise Permitted") and subject to the provisions of your option, you may elect at any time that is both (i) during the period of your Continuous Service and (ii) during the term of your option, to exercise all or part of your option, including the unvested portion of your option; *provided, however,* that:

(a) a partial exercise of your option will be deemed to cover first vested shares of Common Stock and then the earliest vesting installment of unvested shares of Common Stock;

(b) any shares of Common Stock so purchased from installments that have not vested as of the date of exercise will be subject to the purchase option in favor of the Company as described in the Company's form of Early Exercise Stock Purchase Agreement;

(c) you will enter into the Company's form of Early Exercise Stock Purchase Agreement with a vesting schedule that will result in the same vesting as if no early exercise had occurred; and

(d) if your option is an Incentive Stock Option, then, to the extent that the aggregate Fair Market Value (determined at the Date of Grant) of the shares of Common Stock with respect to which your option plus all other Incentive Stock Options you hold are exercisable for the first time by you during any calendar year (under all plans of the Company and its Affiliates) exceeds $100,000, your option(s) or portions thereof that exceed such limit (according to the order in which they were granted) will be treated as Nonstatutory Stock Options.

5. METHOD OF PAYMENT. You must pay the full amount of the exercise price for the shares you wish to exercise. You may pay the exercise price in cash or by check, bank draft or money order payable to the Company or in any other manner ***permitted by your Grant Notice,*** which may include one or more of the following:

(a) Provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a "broker-assisted exercise," "same day sale," or "sell to cover."

(b) Provided that at the time of exercise the Common Stock is publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. "Delivery" for these purposes, in the sole discretion of the Company at the time you exercise your option, will include delivery to the Company of your attestation of ownership of such shares of Common Stock in a form approved by the Company. You may not exercise your option by delivery to the Company of Common Stock if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock.

(c) If this option is a Nonstatutory Stock Option, subject to the consent of the Company at the time of exercise, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issued upon exercise of your option by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price. You must pay any remaining balance of the aggregate exercise price not satisfied by the "net exercise" in cash or other permitted form of payment. Shares of Common Stock will no longer be outstanding under your option and will not be exercisable thereafter if those shares (i) are used to pay the exercise price pursuant to the "net exercise," (ii) are delivered to you as a result of such exercise, and (iii) are withheld to satisfy your tax withholding obligations.

(d) Pursuant to the following deferred payment alternative:

(i) Not less than 100% of the aggregate exercise price, plus accrued interest, will be due four years from date of exercise or, at the Company's election, upon termination of your Continuous Service.

(ii) Interest will be compounded at least annually and will be charged at the minimum rate of interest necessary to avoid (1) the treatment as interest, under any applicable provisions of the Code, of any amounts other than amounts stated to be interest under the deferred payment arrangement and (2) the classification of your option as a liability for financial accounting purposes.

(iii) In order to elect the deferred payment alternative, you must, as a part of your written notice of exercise, give notice of the election of this payment alternative and, in order to secure the payment of the deferred exercise price to the Company hereunder, if the Company so requests, you must tender to the Company a promissory note and a pledge agreement covering the purchased shares of Common Stock, both in form and substance satisfactory to the Company, or such other or additional documentation as the Company may request.

6. WHOLE SHARES. You may exercise your option only for whole shares of Common Stock.

7. SECURITIES LAW COMPLIANCE. In no event may you exercise your option unless the shares of Common Stock issuable upon such exercise are then registered under the Securities Act or, if not registered, the Company has determined that such exercise and the issuance of the shares would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with all other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations (including any restrictions on exercise required for compliance with Treas. Reg. 1.401(k)-1(d)(3), if applicable).

8. TERM. You may not exercise your option before the Date of Grant or after the expiration of the option's term. The term of your option expires, subject to the provisions of Section 5(h) of the Plan, upon the earliest of the following:

(a) immediately upon the termination of your Continuous Service for Cause;

(b) three months after the termination of your Continuous Service for any reason other than Cause, your Disability or your death (except as otherwise provided in Section 8(d) below); *provided, however,* that if during any part of such three month period your option is not exercisable solely because of the condition set forth in the section above relating to "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three months after the termination of your Continuous Service; *provided further,* if (i) you are a Non-Exempt Employee, (ii) your Continuous Service terminates within six months after the Date of Grant, and (iii) you have vested in a portion of your option at the time of your termination of Continuous Service, your option will not expire until the earlier of (x) the later of (A) the date that is seven months after

the Date of Grant, and (B) the date that is three months after the termination of your Continuous Service, and (y) the Expiration Date;

(c) 12 months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 8(d)) below;

(d) 18 months after your death if you die either during your Continuous Service or within three months after your Continuous Service terminates for any reason other than Cause;

(e) the Expiration Date indicated in your Grant Notice; or

(f) the day before the 10th anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the Date of Grant and ending on the day three months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or your permanent and total disability, as defined in Section 22(e)(3) of the Code. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three months after the date your employment with the Company or an Affiliate terminates.

9. EXERCISE.

(a) You may exercise the vested portion of your option (and the unvested portion of your option if your Grant Notice so permits) during its term by (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and/or procedures designated by the Company for exercise and (ii) paying the exercise price and any applicable withholding taxes to the Company's Secretary, stock plan administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (i) the exercise of your option, (ii) the lapse of any substantial risk of forfeiture to which the shares of Common Stock are subject at the time of exercise, or (iii) the disposition of shares of Common Stock acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within 15 days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two years after the Date of Grant or within one year after such shares of Common Stock are transferred upon exercise of your option.

(d) By exercising your option, you agree to be bound by the provisions of, and execute a counterpart signature to, (i) that certain Voting Agreement, dated as of December 22, 2017, as such agreement may be restated or amended from time to time (the "***Voting Agreement***"), by and among the Company and each Key Holder and Investor party thereto (as such terms are defined in the Voting Agreement), and (ii) that certain Right of First Refusal and Co-Sale Agreement, dated as of December 22, 2017, as such agreement may be restated or amended from time to time (the "***Co-Sale Agreement***"), by and among the Company and each Key Holder and Investor party thereto (as such terms are defined in the Co-Sale Agreement), and to be deemed a "Key Holder" under the Voting Agreement and the Co-Sale Agreement for purposes thereof. Copies of the Voting Agreement and Co-Sale Agreement are available for your inspection upon request.

(e) By accepting your option you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of 180 days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company will request to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation (the "***Lock-Up Period***"); *provided, however*, that nothing contained in this section will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. You also agree that any transferee of any shares of Common Stock (or other securities) of the Company held by you will be bound by this Section 9(d). The underwriters of the Company's stock are intended third party beneficiaries of this Section 9(d) and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

10. TRANSFERABILITY. Except as otherwise provided in this Section 10, your option is not transferable, except under the terms of your will or by the laws of descent and distribution, and is exercisable during your life only by you.

(a) Certain Trusts. Upon receiving written permission from the Board or its duly authorized designee, you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust. You and the trustee must enter into transfer and other agreements required by the Company.

(b) Domestic Relations Orders. Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your option pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2) that contains the information required by the Company to effectuate the transfer. You are encouraged to

discuss the proposed terms of any division of this option with the Company prior to finalizing the domestic relations order or marital settlement agreement to help ensure the required information is contained within the domestic relations order or marital settlement agreement. If this option is an Incentive Stock Option, this option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(c) Beneficiary Designation. Upon receiving written permission from the Board or its duly authorized designee, you may, by delivering written notice to the Company, in a form approved by the Company and any broker designated by the Company to handle option exercises, designate a third party who, on your death, will thereafter be entitled to exercise this option and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, your executor or administrator of your estate will be entitled to exercise this option and receive, on behalf of your estate, the Common Stock or other consideration resulting from such exercise.

11. RIGHT OF FIRST REFUSAL. Shares of Common Stock that you acquire upon exercise of your option are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right. The Company's right of first refusal will expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system.

12. RIGHT OF REPURCHASE. To the extent provided in the Company's bylaws in effect at such time the Company elects to exercise its right, the Company will have the right to repurchase all or any part of the shares of Common Stock you acquire pursuant to the exercise of your option.

13. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option will obligate the Company or an Affiliate, their respective stockholders, boards of directors, officers or employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

14. WITHHOLDING OBLIGATIONS.

(a) At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "same day sale" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) If this option is a Nonstatutory Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or

restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the minimum amount of tax required to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). If the date of determination of any tax withholding obligation is deferred to a date later than the date of exercise of your option, share withholding pursuant to the preceding sentence shall not be permitted unless you make a proper and timely election under Section 83(b) of the Code, covering the aggregate number of shares of Common Stock acquired upon such exercise with respect to which such determination is otherwise deferred, to accelerate the determination of such tax withholding obligation to the date of exercise of your option. Notwithstanding the filing of such election, shares of Common Stock shall be withheld solely from fully vested shares of Common Stock determined as of the date of exercise of your option that are otherwise issuable to you upon such exercise. Any adverse consequences to you arising in connection with such share withholding procedure shall be your sole responsibility.

(c) You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company will have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein, if applicable, unless such obligations are satisfied.

15. TAX CONSEQUENCES. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per share specified in the Grant Notice is at least equal to the "fair market value" per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option. Because the Common Stock is not traded on an established securities market, the Fair Market Value is determined by the Board, perhaps in consultation with an independent valuation firm retained by the Company. You acknowledge that there is no guarantee that the Internal Revenue Service will agree with the valuation as determined by the Board, and you will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the Internal Revenue Service asserts that the valuation determined by the Board is less than the "fair market value" as subsequently determined by the Internal Revenue Service.

16. NOTICES. Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by

electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

17. GOVERNING PLAN DOCUMENT. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your option and those of the Plan, the provisions of the Plan will control.

18. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of this option will not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

19. VOTING RIGHTS. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this option until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this option, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

20. SEVERABILITY. If all or any part of this Option Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Option Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Option Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

21. MISCELLANEOUS.

(a) The rights and obligations of the Company under your option will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your option.

(c) You acknowledge and agree that you have reviewed your option in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your option, and fully understand all provisions of your option.

(d) This Option Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Option Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

* * *

This Option Agreement will be deemed to be signed by you upon the signing by you of the Stock Option Grant Notice to which it is attached.

ATTACHMENT II

2014 EQUITY INCENTIVE PLAN

ATTACHMENT III

NOTICE OF EXERCISE

NOTICE OF EXERCISE

Reneo Pharmaceuticals, Inc.
12230 El Camino Real, Suite 230
San Diego, California 92130

Date of Exercise:_____

This constitutes notice to **RENEO PHARMACEUTICALS, INC.** (the "***Company***") under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the "***Shares***") for the price set forth below.

Type of option (check one):	Incentive ☐	Nonstatutory ☐
Stock option dated:	_____	_____
Number of Shares as to which option is exercised:	_____	_____
Certificates to be issued in name of:	_____	_____
Total exercise price:	$_____	$_____
Cash payment delivered herewith:	$_____	$_____

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the Reneo Pharmaceuticals, Inc. 2014 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an incentive stock option, to notify you in writing within 15 days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two years after the date of grant of this option or within one year after such Shares are issued upon exercise of this option.

I hereby make the following certifications and representations with respect to the number of Shares listed above, which are being acquired by me for my own account upon exercise of the option as set forth above:

I acknowledge that the Shares have not been registered under the Securities Act of 1933, as amended (the "***Securities Act***"), and are deemed to constitute "restricted securities" under Rule 701 and Rule 144 promulgated under the Securities Act. I warrant and represent to the Company that I have no present intention of distributing or selling said Shares, except as permitted under the Securities Act and any applicable state securities laws.

I further acknowledge that I will not be able to resell the Shares for at least 90 days after the stock of the Company becomes publicly traded (*i.e.,* subject to the reporting requirements of

Section 13 or 15(d) of the Securities Exchange Act of 1934) under Rule 701 and that more restrictive conditions apply to affiliates of the Company under Rule 144.

I further acknowledge that all certificates representing any of the Shares subject to the provisions of the Option shall have endorsed thereon appropriate legends reflecting the foregoing limitations, as well as any legends reflecting restrictions pursuant to the Company's articles of incorporation, bylaws and/or applicable securities laws.

I further agree that, if required by the Company (or a representative of the underwriters) in connection with the first underwritten registration of the offering of any securities of the Company under the Securities Act, I will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company for a period of one hundred 180 days following the effective date of a registration statement of the Company filed under the Securities Act (or such longer period as the underwriters or the Company shall request to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) (the "***Lock-Up Period***"). I further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such period.

I further agree, in connection with this exercise, (a) to automatically become a party to, and be bound by and subject to the terms of (i) that certain Voting Agreement, dated as of December 22, 2017, as such agreement may be restated or amended from time to time (the "***Voting Agreement***"), by and among the Company and each Key Holder and Investor party thereto (as such terms are defined in the Voting Agreement), and (ii) that certain Right of First Refusal and Co-Sale Agreement, dated as of December 22, 2017, as such agreement may be restated or amended from time to time (the "***Co-Sale Agreement***"), by and among the Company and each Key Holder and Investor party thereto (as such terms are defined in the Co-Sale Agreement) and (b) to execute any counterparts or similar agreements evidencing such agreements upon request of the Company and I hereby appoint any officer of the Company as my attorney-in-fact to execute any such agreements. I agree to seek the consent of my spouse to the extent required by the Company to enforce the foregoing. I acknowledge that the Company has made a copy of the Voting Agreement and Co-Sale Agreement available to me.

Very truly yours,

_____

Signature of Optionholder

_____

Print Name of Optionholder

RENEO PHARMACEUTICALS, INC.

Counterpart to
Voting Agreement and
Co-Sale Agreement

The undersigned hereby agrees to become a party to that certain Right of First Refusal and Co-Sale Agreement (the "***Co-Sale Agreement***"), and that certain Voting Agreement (the "***Voting Agreement***" and together with the Co-Sale Agreement, the "***Shareholder Agreements***"), in each case dated as of December 22, 2017, by and among Reneo Pharmaceuticals, Inc. and the parties named therein respectively. Effective as of the date that this Counterpart is executed and delivered by the undersigned, the undersigned (a) is hereby made a party to the Voting Agreement as a "Key Holder" thereunder and agrees to be bound by and subject to all of the terms and provisions of the Voting Agreement applicable to a Key Holder and (b) is hereby made a party to the Co-Sale Agreement as a "Key Holder" thereunder and agrees to be bound by and subject to all of the terms and provisions of the Co-Sale Agreement applicable to a Key Holder. The undersigned agrees that this Counterpart may be attached to each of the Shareholder Agreements as a counterpart signature page thereto.

The undersigned acknowledges receipt of a copy of each of the Shareholder Agreements. The address and email address to which notices may be sent to the undersigned is as follows:

_____

_____

_____

Email: _____

_____

Print Name: _____

Date: _____

RENEO PHARMACEUTICALS, INC.
STOCK OPTION GRANT NOTICE
(UK SUB-PLAN TO 2014 EQUITY INCENTIVE PLAN)

Reneo Pharmaceuticals, Inc. (the "***Company***"), pursuant to the UK Sub-Plan to its 2014 Equity Incentive Plan (the "***Plan***"), hereby grants to Optionholder an option to purchase the number of shares of the Company's Common Stock set forth below. This option is subject to all of the terms and conditions as set forth herein, in the Option Agreement, the Plan, the UK Sub-Plan and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan, the UK Sub-Plan or the Option Agreement will have the same definitions as in the Plan, the UK Sub-Plan or the Option Agreement. If there is any conflict between the terms herein and the Plan and the UK Sub-Plan, the terms of the UK Sub-Plan will control.

Optionholder:	
Date of Grant:	
Vesting Commencement Date:	
Number of Shares Subject to Option:	
Exercise Price (Per Share):	
Total Exercise Price:	
Expiration Date:	

Type of Grant: ☐ EMI Option under Schedule 5 to the Income Act 2003 ☐ Nonstatutory Stock Option Tax (Earnings and Pensions)

Exercise Schedule: ☐ Same as Vesting Schedule ☐ Early Exercise Permitted

Vesting Schedule: 1/4th of the shares vest one year after the Vesting Commencement Date and the balance of the shares vest in a series of 36 successive equal monthly installments measured from the first anniversary of the Vesting Commencement Date, subject to Optionee's Continuous Service (as defined in the Plan) as of each such vesting date.

Payment: ☐ By cash, cheque, bank draft or money order payable to the Company

Additional Terms/Acknowledgements: Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement, the Plan and the UK Sub-Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except as provided in the Plan and the UK Sub-Plan. By accepting this option, Optionholder consents to receive such documents by electronic delivery and to participate in the UK Sub-Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, the Plan and the UK Sub-Plan set forth the entire understanding between Optionholder and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of (i) options or other compensatory stock awards previously granted and delivered to Optionholder, and (ii) the following agreements only.

OTHER AGREEMENTS: _____

_____

The undersigned Optionholder declares that he or she works for the Company whose shares of Common Stock are the subject of this EMI Option or for a subsidiary of the Company for at least 25 hours per week.

RENEO PHARMACEUTICALS, INC.

By: _____
Signature

Title: _____

Date: _____

OPTIONHOLDER:

_____
Signature

Date: _____

ATTACHMENTS: Option Agreement, 2014 Equity Incentive Plan, the UK Sub-Plan and Notice of Exercise

ATTACHMENT I

OPTION AGREEMENT

RENEO PHARMACEUTICALS, INC.
UK SUB-PLAN TO 2014 EQUITY INCENTIVE PLAN

OPTION AGREEMENT
(EMI OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice ("***Grant Notice***") and this Option Agreement, Reneo Pharmaceuticals, Inc. (the "***Company***") has granted you an option under the UK Sub-Plan to its 2014 Equity Incentive Plan (the "***Plan***") to purchase the number of shares of the Company's Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the "***Date of Grant***"). If there is any conflict between the terms in this Option Agreement and the Plan and the UK Sub-Plan, the terms of the UK Sub-Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan and the UK Sub-Plan will have the same definitions as in the Plan and the UK Sub-Plan.

Your option is an EMI Option granted in accordance with the provision of Schedule 5 to the Income Tax (Earnings and Pensions) Act 2003. The details of your option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. VESTING. Your option will vest as provided in your Grant Notice. Vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of shares of Common Stock subject to your option and your exercise price per share in your Grant Notice will be adjusted for Capitalization Adjustments.

3. METHOD OF PAYMENT. You must pay the full amount of the exercise price for the shares you wish to exercise. You may pay the exercise price in cash or by cheque, bank draft or money order payable to the Company If this option is a Nonstatutory Stock Option, subject to the consent of the Company at the time of exercise, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issued upon exercise of your option by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price. You must pay any remaining balance of the aggregate exercise price not satisfied by the "net exercise" in cash or other permitted form of payment. Shares of Common Stock will no longer be outstanding under your option and will not be exercisable thereafter if those shares (i) are used to pay the exercise price pursuant to the "net exercise," (ii) are delivered to you as a result of such exercise, and (iii) are withheld to satisfy your tax withholding obligations.

4. WHOLE SHARES. You may exercise your option only for whole shares of Common Stock.

5. SECURITIES LAW COMPLIANCE. In no event may you exercise your option unless the shares of Common Stock issuable upon such exercise are then registered under the Securities Act or, if not registered, the Company has determined that such exercise and the issuance of the shares would be exempt from the registration requirements of the Securities Act. The exercise of

your option also must comply with all other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations (including any restrictions on exercise required for compliance with Treas. Reg. 1.401(k)-1(d)(3), if applicable).

6. TERM. You may not exercise your option before the Date of Grant or after the expiration of the option's term. The term of your option expires, subject to the provisions of Section 5(h) of the Plan, upon the earliest of the following:

(a) immediately upon the termination of your Continuous Service for Cause;

(b) three months after the termination of your Continuous Service for any reason other than Cause, your Disability or your death (except as otherwise provided in Section 7(d) below); *provided, however,* that if during any part of such three month period your option is not exercisable solely because of the condition set forth in the section above relating to "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three months after the termination of your Continuous Service;

(c) 12 months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 8(d)) below;

(d) 12 months after your death if you die either during your Continuous Service or within three months after your Continuous Service terminates for any reason other than Cause;

(e) the Expiration Date indicated in your Grant Notice; or

(f) the day before the 10th anniversary of the Date of Grant.

Please note that the tax treatment of an EMI Option may change if the EMI Option is exercised more than 90 days following the date of termination of your Continuous Service.

7. EXERCISE.

(a) You may exercise the vested portion of your option during its term by (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and/or procedures designated by the Company for exercise and (ii) paying the exercise price and any applicable withholding taxes to the Company's Secretary, stock plan administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of the exercise of your option.

(c) By exercising your option, you agree to be bound by the provisions of, and execute a counterpart signature to, (i) that certain Voting Agreement, dated as of December 22,

2017, as such agreement may be restated or amended from time to time (the "***Voting Agreement***"), by and among the Company and each Key Holder and Investor party thereto (as such terms are defined in the Voting Agreement), and (ii) that certain Right of First Refusal and Co-Sale Agreement, dated as of December 22, 2017, as such agreement may be restated or amended from time to time (the "***Co-Sale Agreement***"), by and among the Company and each Key Holder and Investor party thereto (as such terms are defined in the Co-Sale Agreement), and to be deemed a "Key Holder" under the Voting Agreement and the Co-Sale Agreement for purposes thereof. Copies of the Voting Agreement and Co-Sale Agreement are available for your inspection upon request.

(d) By accepting your option you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of 180 days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company will request to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation (the "***Lock-Up Period***"); *provided, however*, that nothing contained in this section will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. You also agree that any transferee of any shares of Common Stock (or other securities) of the Company held by you will be bound by this Section 7(d). The underwriters of the Company's stock are intended third party beneficiaries of this Section 7(d) and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

8. TRANSFERABILITY. Your option is not transferable, except on death to your personal representative, and is exercisable during your life only by you.

9. RIGHT OF FIRST REFUSAL. Shares of Common Stock that you acquire upon exercise of your option are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right. The Company's right of first refusal will expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system.

10. RIGHT OF REPURCHASE. To the extent provided in the Company's bylaws in effect at such time the Company elects to exercise its right, the Company will have the right to repurchase all or any part of the shares of Common Stock you acquire pursuant to the exercise of your option.

11. OPTION NOT A SERVICE CONTRACT.

(a) Your option is not an employment or service contract, and nothing in your option will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your

employment. In addition, nothing in your option will obligate the Company or an Affiliate, their respective stockholders, boards of directors, officers or employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

(b) The grant of options under the Plan is made at the discretion of the Company and the Plan may be suspended or terminated by the Company at any time. The grant of an option in one year or at one time does not in any way entitle you to an option grant in the future. The Plan is wholly discretionary and is not to be considered part of your normal or expected compensation subject to severance, resignation, redundancy or similar compensation. The value of your option is an extraordinary item of compensation which is outside the scope of your employment contract (if any).

(c) You hereby waive all and any rights to compensation or damages in consequence of your termination of employment for any reason whatsoever (whether lawful or unlawful and including, without prejudice to the generality of the foregoing, in circumstances giving rise to a claim for wrongful dismissal) insofar as those rights arise or may arise from you ceasing to have rights under or being entitled to exercise your option as a result of such termination, or from the loss or diminution in value of such rights or entitlements.

12. WITHHOLDING OBLIGATIONS.

(a) At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for, any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) If this option is a Nonstatutory Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the minimum amount of tax required to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes).

(c) As a condition of the exercise of your option, you unconditionally and irrevocably agree:

(i) to place the Company in funds and indemnify the Company in respect of (1) all liability to UK income tax which the Company is liable to account for on your behalf directly to HM Revenue & Customs; (2) all liability to national insurance contributions which the Company is liable to account for on your behalf to HM Revenue & Customs (including secondary class 1 (employer's) national insurance contributions for which you are liable and hereby agree to pay); and (3) to the extent legally permitted, all liability to national insurance contributions for which the Company is liable but have been formally transferred to you, which in all cases arise as a consequence of or in connection with the vesting or exercise of your option, your entering into of any tax election as detailed below or your ownership of Common Stock by virtue of such

exercise including, without limitation, in respect of any liability arising under or in connection with Part 7 or Part 7A of the Income Tax (Earnings and Pensions) Act 2003 ("**ITEPA**") (the "**UK Tax Liability**"); or

(ii) to permit the Company to sell at the best price which it can reasonably obtain such number of shares of Common Stock allocated or allotted to you following exercise as will provide the Company with an amount equal to the UK Tax Liability; and to permit the Company to withhold an amount not exceeding the UK Tax Liability from any payment made to you (including, but not limited to, salary); and

(iii) if so required by the Company, and to the extent permitted by law, to enter into a joint election or other arrangements under which the liability for all or part of such employer's national insurance contributions liability is transferred to you; and

(iv) if so required by the Company, to enter into a joint election within Section 431 of the Income Tax (Earnings and Pensions) Act 2003 ("**ITEPA**") in respect of computing any tax charge on the acquisition of "restricted securities" (as defined in Section 423 and 424 of ITEPA); and

(v) to sign, promptly, all documents, required by the Company to effect the terms of this provision, and references in this provision to "the Company" shall, if applicable, be construed as also referring to any Affiliate.

(d) You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company will have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein, if applicable, unless such obligations are satisfied.

13. TAX CONSEQUENCES. You hereby agree that the Company does not have a duty to design or administer the Plan or the UK Sub-Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation.

14. DATA PROTECTION. By participating in the Plan, you acknowledge the collection, processing, transmission and storage in any form whatsoever by the Company or any Affiliate of any data of a professional or personal nature which is necessary for the purpose of introducing and sustaining the Plan. This may include providing information to trustees of an employee benefit trust, or to registrars, or brokers, or third party administrators of the Plan, or to future purchasers of the Company or the business in which you work. By participating in the Plan you also consent to the transfer of personal data to countries or territories outside the European Economic Area.

15. NOTICES. Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five days after deposit in the United Kingdom mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in

the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

16. GOVERNING PLAN DOCUMENT. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your option and those of the Plan, the provisions of the Plan will control.

17. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of this option will not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

18. VOTING RIGHTS. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this option until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this option, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

19. SEVERABILITY. If all or any part of this Option Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Option Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Option Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

20. MISCELLANEOUS.

(a) The rights and obligations of the Company under your option will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your option.

(c) You acknowledge and agree that you have reviewed your option in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your option, and fully understand all provisions of your option.

(d) This Option Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Option Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

* * *

This Option Agreement will be deemed to be signed by you upon the signing by you of the Stock Option Grant Notice to which it is attached.

ATTACHMENT II

2014 EQUITY INCENTIVE PLAN

ATTACHMENT III

NOTICE OF EXERCISE

NOTICE OF EXERCISE

Reneo Pharmaceuticals, Inc.
12230 El Camino Real, Suite 230
San Diego, California 92130

Date of Exercise:_____

This constitutes notice to **RENEO PHARMACEUTICALS, INC.** (the "***Company***") under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the "***Shares***") for the price set forth below.

Type of option (check one):	EMI ☐	Nonstatutory ☐
Stock option dated:	_____	_____
Number of Shares asto which option is exercised:	_____	_____
Certificates to be issued in name of:	_____	_____
Total exercise price:	$_____	$_____
Cash payment delivered herewith:	$_____	$_____

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the Reneo Pharmaceuticals, Inc. 2014 Equity Incentive Plan and the UK Sub-Plan including, but not limited to, a joint election under Section 431 of the Income Tax (Earnings and Pensions) Act 2003 and a joint election for the transfer of employer's national insurance contributions, and (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option.

I hereby make the following certifications and representations with respect to the number of Shares listed above, which are being acquired by me for my own account upon exercise of the option as set forth above:

I acknowledge that the Shares have not been registered under the Securities Act of 1933, as amended (the "***Securities Act***"), and are deemed to constitute "restricted securities" under Rule 701 and Rule 144 promulgated under the Securities Act. I warrant and represent to the Company that I have no present intention of distributing or selling said Shares, except as permitted under the Securities Act and any applicable state securities laws.

I further acknowledge that I will not be able to resell the Shares for at least 90 days after the stock of the Company becomes publicly traded (*i.e.,* subject to the reporting requirements of

Section 13 or 15(d) of the Securities Exchange Act of 1934) under Rule 701 and that more restrictive conditions apply to affiliates of the Company under Rule 144.

I further acknowledge that all certificates representing any of the Shares subject to the provisions of the Option shall have endorsed thereon appropriate legends reflecting the foregoing limitations, as well as any legends reflecting restrictions pursuant to the Company's articles of incorporation, bylaws and/or applicable securities laws.

I further agree that, if required by the Company (or a representative of the underwriters) in connection with the first underwritten registration of the offering of any securities of the Company under the Securities Act, I will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company for a period of one hundred 180 days following the effective date of a registration statement of the Company filed under the Securities Act (or such longer period as the underwriters or the Company shall request to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) (the "***Lock-Up Period***"). I further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such period.

I further agree, in connection with this exercise, (a) to automatically become a party to, and be bound by and subject to the terms of (i) that certain Voting Agreement, dated as of December 22, 2017, as such agreement may be restated or amended from time to time (the "***Voting Agreement***"), by and among the Company and each Key Holder and Investor party thereto (as such terms are defined in the Voting Agreement), and (ii) that certain Right of First Refusal and Co-Sale Agreement, dated as of December 22, 2017, as such agreement may be restated or amended from time to time (the "***Co-Sale Agreement***"), by and among the Company and each Key Holder and Investor party thereto (as such terms are defined in the Co-Sale Agreement) and (b) to execute any counterparts or similar agreements evidencing such agreements upon request of the Company and I hereby appoint any officer of the Company as my attorney-in-fact to execute any such agreements. I agree to seek the consent of my spouse to the extent required by the Company to enforce the foregoing. I acknowledge that the Company has made a copy of the Voting Agreement and Co-Sale Agreement available to me.

Very truly yours,

_____

Signature of Optionholder

_____

Print Name of Optionholder

RENEO PHARMACEUTICALS, INC.

Counterpart to
Voting Agreement and
Co-Sale Agreement

The undersigned hereby agrees to become a party to that certain Right of First Refusal and Co-Sale Agreement (the "***Co-Sale Agreement***"), and that certain Voting Agreement (the "***Voting Agreement***" and together with the Co-Sale Agreement, the "***Shareholder Agreements***"), in each case dated as of December 22, 2017, by and among Reneo Pharmaceuticals, Inc. and the parties named therein respectively. Effective as of the date that this Counterpart is executed and delivered by the undersigned, the undersigned (a) is hereby made a party to the Voting Agreement as a "Key Holder" thereunder and agrees to be bound by and subject to all of the terms and provisions of the Voting Agreement applicable to a Key Holder and (b) is hereby made a party to the Co-Sale Agreement as a "Key Holder" thereunder and agrees to be bound by and subject to all of the terms and provisions of the Co-Sale Agreement applicable to a Key Holder. The undersigned agrees that this Counterpart may be attached to each of the Shareholder Agreements as a counterpart signature page thereto.

The undersigned acknowledges receipt of a copy of each of the Shareholder Agreements. The address and email address to which notices may be sent to the undersigned is as follows:

_____

_____

_____

Email: _____

_____

Print Name: _____

Date: _____

RENEO PHARMACEUTICALS, INC.

SEVERANCE BENEFIT PLAN

APPROVED BY THE BOARD OF DIRECTORS: JANUARY 31, 2018

Section 1. INTRODUCTION.

The Reneo Pharmaceuticals, Inc. Severance Benefit Plan (the "***Plan***") is hereby established effective as of January 31, 2018 (the "***Effective Date***"). The purpose of the Plan is to provide for the payment of severance benefits to eligible key employees of Reneo Pharmaceuticals, Inc. (the "***Company***") in the event that such individuals become subject to involuntary or constructive employment terminations. Except as otherwise provided in an individual Participation Agreement, this Plan shall supersede any severance benefit plan, policy or practice previously maintained by the Company, including any severance benefits set forth in any individually negotiated employment letter or agreement between the Company and an individual employee or other service provider. This Plan document also is the Summary Plan Description for the Plan.

For purposes of the Plan, the following terms are defined as follows:

(a) "***Affiliate***" means any corporation (other than the Company) in an "unbroken chain of corporations" beginning with the Company, if each of the corporations other then the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

(b) "***Base Salary***" means base pay (excluding incentive pay, premium pay, commissions, overtime, bonuses and other forms of variable compensation) as in effect prior to any reduction that would give rise to an employee's right to resign for Good Reason.

(c) "***Board***" means the Board of Directors of the Company; provided, however, that if the Board has delegated authority to administer the Plan to the Compensation Committee of the Board, then "***Board***" shall also mean the Compensation Committee.

(d) "***Cause***" means, with respect to a particular employee, the meaning ascribed to such term in any written agreement between such employee and the Company defining such term, and, in the absence of such agreement, means with respect to such employee, the occurrence of any of the following events: (i) such employee's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (ii) such employee's attempted commission of, or participation in, a fraud or act of dishonesty against the Company; (iii) such employee's intentional, material violation of any contract or agreement between the employee and the Company or of any statutory duty owed to the Company; (iv) such employee's unauthorized use or disclosure of the Company's confidential information or trade secrets; or (v) such employee's gross misconduct. The determination whether a termination is for Cause shall be made by the Plan Administrator in its sole and exclusive judgment and discretion.

(e) "***Change in Control***" means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events that also qualifies as a change in the ownership of the Company, a change in the effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company (as these events are defined in Treasury Regulations Section § 1.409A-3(i)(5), or as these definitions may later be modified by other regulatory pronouncements):

(1) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities or (C) solely because the level of Ownership held by any Exchange Act Person (the "***Subject Person***") exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;

(2) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than fifty percent (50%) of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than fifty percent (50%) of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction;

(3) the stockholders of the Company approve or the Board approves a plan of complete dissolution or liquidation of the Company, or a complete dissolution or liquidation of the Company will otherwise occur, except for a liquidation into a parent corporation; or

(4) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition.

Notwithstanding the foregoing or any other provision of this Plan, the term Change in Control shall not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company. Once a Change in Control has occurred, no future events shall constitute a Change in Control for purposes of the Plan.

(f) "***Change in Control Period***" means the period commencing three (3) months prior to the Closing of a Change in Control and ending twelve (12) months following the Closing of a Change in Control.

(g) "***Change in Control Termination***" means an Involuntary Termination that occurs within the Change in Control Period. For such purposes, if the events giving rise to an employee's

right to resign for Good Reason arise within the Change in Control Period, and the employee's resignation occurs not later than thirty (30) days after the expiration of the Cure Period (as defined below), such termination shall be a Change in Control Termination.

(h) ***"Closing"*** means the initial closing of the Change in Control as defined in the definitive agreement executed in connection with the Change in Control. In the case of a series of transactions constituting a Change in Control, "Closing" means the first closing that satisfies the threshold of the definition for a Change in Control.

(i) "***COBRA***" means the Consolidated Omnibus Budget Reconciliation Act of 1985.

(j) "***Code***" means the Internal Revenue Code of 1986, as amended.

(k) "***Company***" means Reneo Pharmaceuticals, Inc. or, following a Change in Control, the surviving entity resulting from such event.

(l) "***Covered Termination***" means a Regular Termination or a Change in Control Termination.

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

(n) "***Eligible Employee***" means an employee of the Company that meets the requirements to be eligible to receive Plan benefits as set forth in Section 2 and is designated in writing as eligible to participate in the Plan by the Plan Administrator.

(o) ***"Entity"*** means a corporation, partnership, limited liability company or other entity.

(p) ***"Exchange Act"*** means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(q) ***"Exchange Act Person"*** means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities.

(r) "***Good Reason***" for an employee's resignation means the occurrence of any of the following events, conditions or actions taken by the Company without Cause and without such employee's consent: (i) a material reduction of such employee's annual base salary, which is a reduction of at least 10% of such employee's base salary (unless pursuant to a salary reduction program applicable generally to the Company's similarly situated employees); (ii) a material reduction in such employee's authority, duties or responsibilities; (iii) a material reduction in the authority, duties, or responsibilities of the supervisor to whom such employee is required to report; (iv) a relocation of such employee's principal place of employment with the Company (or successor to the Company, if applicable) to a place that

increases such employee's one-way commute by more than fifty (50) miles as compared to such employee's then-current principal place of employment immediately prior to such relocation (excluding regular travel in the ordinary course of business); provided that if such employee's principal place of employment is his or her personal residence, this clause (iv) shall not apply; *provided, however*, that in each case above, in order for the employee's resignation to be deemed to have been for Good Reason, the employee must first give the Company written notice of the action or omission giving rise to "Good Reason" within thirty (30) days after the first occurrence thereof; the Company must fail to reasonably cure such action or omission within thirty (30) days after receipt of such notice (the "***Cure Period***"), and the employee's resignation must be effective not later than thirty (30) days after the expiration of such Cure Period.

(s) "***Involuntary Termination***" means a termination of employment that is due to: (1) a termination by the Company without Cause or (2) an employee's resignation for Good Reason, provided that in any case such termination is also a "separation from service," as such term is defined in Treasury Regulations Section 1.409A-1(h).

(t) "***Own,***" "***Owned,***" "***Owner***," "***Ownership***" means a person or Entity will be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(u) "***Participation Agreement***" means an agreement between an employee and the Company in substantially the form of **Appendix A** attached hereto, and which may include such other terms as the Board deems necessary or advisable in the administration of the Plan.

(v) "***Plan Administrator***" means the Board prior to the Closing and the Representative upon and following the Closing.

(w) ***"Representative"*** means one or more members of the Board or other persons or entities designated by the Board prior to or in connection with a Change in Control that will have authority to administer and interpret the Plan upon and following the Closing as provided in Section 7(a).

(x) "***Regular Termination***" means an Involuntary Termination that is not a Change in Control Termination.

(y) "***Subsidiary***" means, with respect to the Company, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.

Section 2. ELIGIBILITY FOR BENEFITS.

(a) Eligible Employee. An employee of the Company is eligible to participate in the Plan if (i) the Board has designated such employee as eligible to participate in the Plan by providing such person with a Participation Agreement; (ii) such employee has signed and returned such Participation Agreement to the Company within the period specified therein; (iii) such employee's employment with the Company terminates due to a Covered Termination; and (iv) such employee meets the other Plan

eligibility requirements set forth in this Section 2. The determination of whether an employee is an Eligible Employee shall be made by the Plan Administrator, in its sole discretion, and such determination shall be binding and conclusive on all persons.

(b) Release Requirement. In order to be eligible to receive benefits under the Plan, the employee also must execute a general waiver and release in substantially the form attached hereto as **Exhibit A**, **Exhibit B** or **Exhibit C**, as appropriate (the "***Release***"), within the applicable time period set forth therein, but in no event more than fifty (50) days following the date of the applicable Covered Termination, and such Release must become effective in accordance with its terms. The Company, in its sole discretion, may modify the form of the Release to comply with applicable law and the specific terms of the Covered Termination, which may be incorporated into a termination agreement or other agreement with the employee.

(c) Exceptions to Benefit Entitlement. An employee who otherwise is an Eligible Employee will not receive benefits under the Plan in the following circumstances, as determined by the Plan Administrator in its sole discretion:

(1) The employee voluntarily terminates employment with the Company without Good Reason, or terminates employment due to the employee's death or disability. Voluntary terminations include, but are not limited to, resignation, retirement or failure to return from a leave of absence on the scheduled date.

(2) The employee voluntarily terminates employment with the Company in order to accept employment with another entity that is wholly or partly owned (directly or indirectly) by the Company or an Affiliate.

(3) The employee is offered an identical or substantially equivalent or comparable position with the Company or an Affiliate. For purposes of the foregoing, a "substantially equivalent or comparable position" is one that provides the employee substantially the same level of responsibility and compensation and would not give rise to the employee's right to resign for Good Reason.

(4) The employee is offered immediate reemployment by a successor to the Company or an Affiliate or by a purchaser of the Company's assets, as the case may be, following a Change in Control and the terms of such reemployment would not give rise to the employee's right to resign for Good Reason. For purposes of the foregoing, "immediate reemployment" means that the employee's employment with the successor to the Company or an Affiliate or the purchaser of its assets, as the case may be, results in uninterrupted employment such that the employee does not incur a lapse in pay or benefits as a result of the change in ownership of the Company or the sale of its assets.

(5) The employee is rehired by the Company or an Affiliate and recommences employment prior to the date benefits under the Plan are scheduled to commence.

Section 3. AMOUNT OF BENEFIT.

(a) Severance Benefit. Benefits under the Plan shall be provided to an Eligible Employee as set forth in the Participation Agreement.

(b) Additional Benefits. Notwithstanding the foregoing, the Company may, in its sole discretion, provide benefits to employees or consultants who are not Eligible Employees ("***Non-Eligible Employees***") chosen by the Board, in its sole discretion, and the provision of any such benefits to

a Non-Eligible Employee shall in no way obligate the Company to provide such benefits to any other Non-Eligible Employee, even if similarly situated. If benefits under the Plan are provided to a Non-Eligible Employee, references in the Plan to "Eligible Employee" (and similar references) shall be deemed to refer to such Non-Eligible Employee.

(c) Certain Reductions. The Company, in its sole discretion, shall have the authority to reduce an Eligible Employee's severance benefits, in whole or in part, by any other severance benefits, pay and benefits provided during a period following written notice of a plant closing or mass layoff, pay and benefits in lieu of such notice, or other similar benefits payable to the Eligible Employee by the Company or an Affiliate that become payable in connection with the Eligible Employee's termination of employment pursuant to (i) any applicable legal requirement, including, without limitation, the Worker Adjustment and Retraining Notification Act or any other similar state law, (ii) any individually negotiated employment contract or agreement or any other written employment or severance agreement with the Company, or (iii) any Company policy or practice providing for the Eligible Employee to remain on the payroll for a limited period of time after being given notice of the termination of the Eligible Employee's employment, and the Plan Administrator shall so construe and implement the terms of the Plan. Any such reductions that the Company determines to make pursuant to this Section 3(c) shall be made such that any benefit under the Plan shall be reduced solely by any similar type of benefit under such legal requirement, agreement, policy or practice (*i.e*., any cash severance benefits under the Plan shall be reduced solely by any cash payments or severance benefits under such legal requirement, agreement, policy or practice, and any continued insurance benefits under the Plan shall be reduced solely by any continued insurance benefits under such legal requirement, agreement, policy or practice). The Company's decision to apply such reductions to the severance benefits of one Eligible Employee and the amount of such reductions shall in no way obligate the Company to apply the same reductions in the same amounts to the severance benefits of any other Eligible Employee, even if similarly situated. In the Company's sole discretion, such reductions may be applied on a retroactive basis, with severance benefits previously paid being re-characterized as payments pursuant to the Company's statutory obligation.

(d) Parachute Payments. Any provision of the Plan to the contrary notwithstanding, if any payment or benefit an Eligible Employee would receive from the Company pursuant to the Plan or otherwise ("***Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then such Payment will be equal to the Reduced Amount (defined below). The "***Reduced Amount***" will be either (l) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (2) the entire Payment, whichever amount after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate, net of the maximum reduction in federal income taxes which could be obtained from a deduction of such state and local taxes), results in such Eligible Employee's receipt, on an after-tax basis, of the greatest amount of the Payment. If a reduction in the Payment is to be made so that the Payment equals the Reduced Amount, (x) the Payment will be paid only to the extent permitted under the Reduced Amount alternative, and the Eligible Employee will have no rights to any additional payments and/or benefits constituting the Payment, and (y) reduction in payments and/or benefits will occur in the following order: (1) reduction of cash payments; (2) cancellation of accelerated vesting of equity awards other than stock options; (3) cancellation of accelerated vesting of stock options; and (4) reduction of other benefits paid to the Eligible Employee. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of the Eligible Employee's equity awards. In no event will the Company or any stockholder be liable to any Eligible Employee for any amounts not paid as a result of the operation of this Section 3(d). The professional firm engaged by the Company for general tax purposes as of the day prior to the Closing will perform the

foregoing calculations. If the tax firm so engaged by the Company is serving as accountant or auditor for the acquirer, the Company will appoint a nationally recognized tax firm to make the determinations required hereunder. The Company will bear all expenses with respect to the determinations by such firm required to be made hereunder. If the tax firm determines that no Excise Tax is payable with respect to a Payment, either before or after the application of the Reduced Amount, it will furnish the Company and each Eligible Employee with documentation that no Excise Tax is reasonably likely to be imposed with respect to such Payment. Any good faith determinations of the tax firm made hereunder will be final, binding and conclusive upon the Company and the Eligible Employees.

Section 4. RETURN OF COMPANY PROPERTY.

An Eligible Employee will not be entitled to any severance benefit under the Plan unless and until the Eligible Employee returns all Company Property. For this purpose, "***Company Property***" means all Company documents (and all copies thereof) and other Company property which the Eligible Employee had in his or her possession at any time, including, but not limited to, Company files, notes, drawings, records, plans, forecasts, reports, studies, analyses, proposals, agreements, financial information, research and development information, sales and marketing information, operational and personnel information, specifications, code, software, databases, computer-recorded information, tangible property and equipment (including, but not limited to, computers, facsimile machines, mobile telephones, servers), credit cards, entry cards, identification badges and keys; and any materials of any kind which contain or embody any proprietary or confidential information of the Company (and all reproductions thereof in whole or in part).

Section 5. TIME OF PAYMENT AND FORM OF BENEFIT.

The Company reserves the right in the Participation Agreement to specify whether severance payments under the Plan will be paid in a single sum, in installments, or in any other form and to determine the timing of such payments. All such payments under the Plan will be subject to applicable withholding for federal, state and local taxes. If an Eligible Employee is indebted to the Company on his or her termination date, the Company reserves the right to offset any severance payments under the Plan by the amount of such indebtedness. All severance benefits provided under the Plan are intended to satisfy the requirements for an exemption from application of Section 409A of the Code to the maximum extent that an exemption is available and any ambiguities herein shall be interpreted accordingly; provided, however, that to the extent such an exemption is not available, the severance benefits provided under the Plan are intended to comply with the requirements of Section 409A to the extent necessary to avoid adverse personal tax consequences and any ambiguities herin shall be interpreted accordingly.

Notwithstanding anything to the contrary set forth herein, any payments and benefits provided under the Plan that constitute "deferred compensation" within the meaning of Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect (collectively "***Section 409A***") shall not commence in connection with an Eligible Employee's termination of employment unless and until the Eligible Employee has also incurred a "separation from service," as such term is defined in Treasury Regulations Section 1.409A-1(h) ("***Separation from Service***"), unless the Company reasonably determines that such amounts may be provided to the Eligible Employee without causing the Eligible Employee to incur the adverse personal tax consequences under Section 409A.

It is intended that (i) each installment of any benefits payable under the Plan to an Eligible Employee be regarded as a separate "payment" for purposes of Treasury Regulations Section 1.409A-2(b)(2)(i), (ii) all payments of any such benefits under the Plan satisfy, to the greatest extent possible, the exemptions from the application of Section 409A provided under Treasury Regulations

Sections 1.409A-1(b)(4) and 1.409A-1(b)(9)(iii), and (iii) any such benefits consisting of COBRA premiums also satisfy, to the greatest extent possible, the exemption from the application of Section 409A provided under Treasury Regulations Section 1.409A-1(b)(9)(v). However, if the Company determines that any such benefits payable under the Plan constitute "deferred compensation" under Section 409A and the Eligible Employee is a "specified employee" of the Company, as such term is defined in Section 409A(a)(2)(B)(i), then, solely to the extent necessary to avoid the imposition of the adverse personal tax consequences under Section 409A, (A) the timing of such benefit payments shall be delayed until the earlier of (1) the date that is six (6) months and one (1) day after the Eligible Employee's Separation from Service and (2) the date of the Eligible Employee's death (such applicable date, the "***Delayed Initial Payment Date***"), and (B) the Company shall (1) pay the Eligible Employee a lump sum amount equal to the sum of the benefit payments that the Eligible Employee would otherwise have received through the Delayed Initial Payment Date if the commencement of the payment of the benefits had not been delayed pursuant to this paragraph and (2) commence paying the balance, if any, of the benefits in accordance with the applicable payment schedule.

In no event shall payment of any benefits under the Plan be made prior to an Eligible Employee's termination date or prior to the effective date of the Release. If the Company determines that any payments or benefits provided under the Plan constitute "deferred compensation" under Section 409A, and the Eligible Employee's Separation from Service occurs at a time during the calendar year when the Release could become effective in the calendar year following the calendar year in which the Eligible Employee's Separation from Service occurs, then regardless of when the Release is returned to the Company and becomes effective, the Release will not be deemed effective any earlier than the latest permitted effective date (the "***Release Deadline***"). If the Company determines that any payments or benefits provided under the Plan constitute "deferred compensation" under Section 409A, then except to the extent that payments may be delayed until the Delayed Initial Payment Date pursuant to the preceding paragraph, on the first regular payroll date following the effective date of an Eligible Employee's Release, the Company shall (1) pay the Eligible Employee a lump sum amount equal to the sum of the benefit payments that the Eligible Employee would otherwise have received through such payroll date but for the delay in payment related to the effectiveness of the Release and (2) commence paying the balance, if any, of the benefits in accordance with the applicable payment schedule.

All severance payments under the Plan shall be subject to applicable withholding for federal, state and local taxes. If an Eligible Employee is indebted to the Company at his or her termination date, the Company reserves the right to offset any severance payments under the Plan by the amount of such indebtedness.

Section 6. REEMPLOYMENT.

In the event of an Eligible Employee's reemployment by the Company during the period of time in respect of which severance benefits pursuant to the Plan have been paid, the Company, in its sole and absolute discretion, may require such Eligible Employee to repay to the Company all or a portion of such severance benefits as a condition of reemployment.

Section 7. RIGHT TO INTERPRET AND ADMINISTER PLAN; AMENDMENT AND TERMINATION.

(a) Interpretation and Administration. Prior to the Closing, the Board shall be the Plan Administrator and shall have the exclusive discretion and authority to establish rules, forms, and procedures for the administration of the Plan and to construe and interpret the Plan and to decide any and all questions of fact, interpretation, definition, computation or administration arising in connection with the operation of the Plan, including, but not limited to, the eligibility to participate in the Plan and amount of benefits paid under the Plan. The rules, interpretations, computations and other actions of the Board

shall be binding and conclusive on all persons. Upon and after the Closing, the Plan will be interpreted and administered in good faith by the Representative who shall be the Plan Administrator during such period. All actions taken by the Representative in interpreting the terms of the Plan and administering the Plan upon and after the Closing will be final and binding on all Eligible Employees. Any references in this Plan to the "Board" or "Plan Administrator" with respect to periods following the Closing shall mean the Representative.

(b) Amendment. The Plan Administrator reserves the right to amend this Plan at any time; *provided, however,* that any amendment of the Plan will not be effective as to a particular employee who is or may be adversely impacted by such amendment or termination and has an effective Participation Agreement without the written consent of such employee. Any action amending the Plan shall be in writing and executed by the Company's Chairman of the Board or if none, the Company's Executive Chairman or Chief Executive Officer (prior to the Closing), or the Representative (following the Closing).

(c) Termination. The Plan will automatically terminate upon the earliest of: (i) the date five (5) years after the Effective Date, if the Closing has not occurred on or prior to such date, or (ii) following satisfaction of all the Company's obligations under the Plan.

Section 8. NO IMPLIED EMPLOYMENT CONTRACT.

The Plan shall not be deemed (i) to give any employee or other person any right to be retained in the employ of the Company **or** (ii) to interfere with the right of the Company **to** discharge any employee or other person at any time, with or without cause, which right is hereby reserved.

Section 9. LEGAL CONSTRUCTION.

This Plan is intended to be governed by and shall be construed in accordance with the Employee Retirement Income Security Act of 1974 ("***ERISA***") and, to the extent not preempted by ERISA, the laws of the State of California.

Section 10. CLAIMS, INQUIRIES AND APPEALS.

(a) Applications for Benefits and Inquiries. Any application for benefits, inquiries about the Plan or inquiries about present or future rights under the Plan must be submitted to the Plan Administrator in writing by an applicant (or his or her authorized representative). The Plan Administrator is:

Reneo Pharmaceuticals, Inc.
Board of Directors
12230 El Camino Real, Suite 230
San Diego, CA 92130

(b) Denial of Claims. In the event that any application for benefits is denied in whole or in part, the Plan Administrator must provide the applicant with written or electronic notice of the denial of the application, and of the applicant's right to review the denial. Any electronic notice will comply with the regulations of the U.S. Department of Labor. The notice of denial will be set forth in a manner designed to be understood by the applicant and will include the following:

(1) the specific reason or reasons for the denial;

(2) references to the specific Plan provisions upon which the denial is based;

(3) a description of any additional information or material that the Plan Administrator needs to complete the review and an explanation of why such information or material is necessary; and

(4) an explanation of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the applicant's right to bring a civil action under Section 502(a) of ERISA following a denial on review of the claim, as described in Section 10(d) below.

This notice of denial will be given to the applicant within ninety (90) days after the Plan Administrator receives the application, unless special circumstances require an extension of time, in which case, the Plan Administrator has up to an additional ninety (90) days for processing the application. If an extension of time for processing is required, written notice of the extension will be furnished to the applicant before the end of the initial ninety (90) day period.

This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Plan Administrator is to render its decision on the application.

(c) Request for a Review. Any person (or that person's authorized representative) for whom an application for benefits is denied, in whole or in part, may appeal the denial by submitting a request for a review to the Plan Administrator within sixty (60) days after the application is denied. A request for a review shall be in writing and shall be addressed to:

Reneo Pharmaceuticals, Inc.
Board of Directors
12230 El Camino Real, Suite 230
San Diego, CA 92130

A request for review must set forth all of the grounds on which it is based, all facts in support of the request and any other matters that the applicant feels are pertinent. The applicant (or his or her representative) shall have the opportunity to submit (or the Plan Administrator may require the applicant to submit) written comments, documents, records, and other information relating to his or her claim. The applicant (or his or her representative) shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to his or her claim. The review shall take into account all comments, documents, records and other information submitted by the applicant (or his or her representative) relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

(d) Decision on Review. The Plan Administrator will act on each request for review within sixty (60) days after receipt of the request, unless special circumstances require an extension of time (not to exceed an additional sixty (60) days), for processing the request for a review. If an extension for review is required, written notice of the extension will be furnished to the applicant within the initial sixty (60) day period. This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Plan Administrator is to render its decision on the review. The Plan Administrator will give prompt, written or electronic notice of its decision to the applicant. Any electronic notice will comply with the regulations of the U.S. Department of Labor. In the event that the Plan Administrator confirms the denial of the application for benefits in whole or in part, the notice will set forth, in a manner calculated to be understood by the applicant, the following:

(1) the specific reason or reasons for the denial;

(2) references to the specific Plan provisions upon which the denial is based;

(3) a statement that the applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to his or her claim; and

(4) a statement of the applicant's right to bring a civil action under Section 502(a) of ERISA.

(e) Rules and Procedures. The Plan Administrator will establish rules and procedures, consistent with the Plan and with ERISA, as necessary and appropriate in carrying out its responsibilities in reviewing benefit claims. The Plan Administrator may require an applicant who wishes to submit additional information in connection with an appeal from the denial of benefits to do so at the applicant's own expense.

(f) Exhaustion of Remedies. No legal action for benefits under the Plan may be brought until the applicant (i) has submitted a written application for benefits in accordance with the procedures described by Section 10(a) above, (ii) has been notified by the Plan Administrator that the application is denied, (iii) has filed a written request for a review of the application in accordance with the appeal procedure described in Section 10(c) above, and (iv) has been notified that the Plan Administrator has denied the appeal. Notwithstanding the foregoing, if the Plan Administrator does not respond to an Eligible Employee's claim or appeal within the relevant time limits specified in this Section 10, the Eligible Employee may bring legal action for benefits under the Plan pursuant to Section 502(a) of ERISA.

Section 11. BASIS OF PAYMENTS TO AND FROM PLAN.

The Plan shall be unfunded, and all cash payments under the Plan shall be paid only from the general assets of the Company.

Section 12. OTHER PLAN INFORMATION.

(a) Employer and Plan Identification Numbers. The Employer Identification Number assigned to the Company (which is the "Plan Sponsor" as that term is used in ERISA) by the Internal Revenue Service is 47-2309515. The Plan Number assigned to the Plan by the Plan Sponsor pursuant to the instructions of the Internal Revenue Service is 502.

(b) Ending Date for Plan's Fiscal Year. The date of the end of the fiscal year for the purpose of maintaining the Plan's records is December 31.

(c) Agent for the Service of Legal Process. The agent for the service of legal process with respect to the Plan is:

Reneo Pharmaceuticals, Inc.
12230 El Camino Real, Suite 230
San Diego, CA 92130

In addition, service of legal process may be made upon the Plan Administrator.

(d) Plan Sponsor. The "Plan Sponsor" is:

Reneo Pharmaceuticals, Inc.
12230 El Camino Real, Suite 230
San Diego, CA 92130
(858) 283-0280

(e) Plan Administrator. The Plan Administrator is the Board prior to the Closing and the Representative upon and following the Closing. The Plan Administrator's contact information is:

Reneo Pharmaceuticals, Inc.
Board of Directors or Representative
12230 El Camino Real, Suite 230
San Diego, CA 92130
(858) 283-0280

The Plan Administrator is the named fiduciary charged with the responsibility for administering the Plan.

Section 13. STATEMENT OF ERISA RIGHTS.

Participants in this Plan (which is a welfare benefit plan sponsored by Reneo Pharmaceuticals, Inc.) are entitled to certain rights and protections under ERISA. If you are an Eligible Employee, you are considered a participant in the Plan and, under ERISA, you are entitled to:

(a) Receive Information About Your Plan and Benefits.

(1) Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites, all documents governing the Plan and a copy of the latest annual report (Form 5500 Series), if applicable, filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration;

(2) Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan and copies of the latest annual report (Form 5500 Series), if applicable, and an updated (as necessary) Summary Plan Description. The Administrator may make a reasonable charge for the copies; and

(3) Receive a summary of the Plan's annual financial report, if applicable. The Plan Administrator is required by law to furnish each Eligible Employee with a copy of this summary annual report.

(b) Prudent Actions by Plan Fiduciaries. In addition to creating rights for Plan Eligible Employees, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Eligible Employees and beneficiaries. No one, including your employer, your union or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

(c) Enforce Your Rights. If your claim for a Plan benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan, if applicable, and do not receive them within thirty (30) days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

If you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

(d) Assistance with Your Questions. If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

APPENDIX A

RENEO PHARMACEUTICALS, INC.
SEVERANCE BENEFIT PLAN
PARTICIPATION AGREEMENT

Name: _____

Section 1. ELIGIBILITY.

You have been designated as eligible to participate in the Reneo Pharmaceuticals, Inc. Severance Benefit Plan (the "***Plan***"), a copy of which is attached as Annex I to this Participation Agreement (the "***Agreement***"). Capitalized terms not explicitly defined in this Agreement but defined in the Plan shall have the same definitions as in the Plan.

Section 2. SEVERANCE BENEFITS

Subject to the terms of the Plan and Section 3 of this Agreement, if you are terminated in a Covered Termination, and meet all the other eligibility requirements set forth in the Plan, including, without limitation, executing the required Release within the applicable time period set forth therein and provided that such Release becomes effective in accordance with its terms, you will receive the severance benefits set forth in this Section 2. Notwithstanding the schedule for provision of severance benefits as set forth below, the provision of any severance benefits under this Section 2 is subject to any delay in payment that may be required under Section 5 of the Plan.

(a) Regular Termination. Upon a Regular Termination, you shall be eligible to receive the following severance benefits.

(1) *Cash Severance Benefit***.** You will be entitled to continue to receive your then-current Base Salary for [_____ (___)] months (such period of months, the "***Severance Period***") commencing on the first payroll period following the effective date of your Release.

(2) [*Accelerated Vesting of Stock Awards.*

(i) [Effective as of the effective date of your Release, (i) the vesting and exercisability of all outstanding stock options to purchase the Company's common stock that are held by you on such date and subject to time-based vesting requirements, (ii) any then-outstanding reacquisition or repurchase rights held by the Company in respect of common stock issued pursuant to any other stock award granted to you by the Company subject to a time-based lapse or vesting schedule, and (iii) the vesting of any other stock awards granted to you by the Company subject to time-based vesting requirements, and any issuance of shares triggered by the time-based vesting of such stock awards, shall in each case of (i), (ii) or (iii) above as applicable be accelerated (or lapse, in the case of reacquisition or repurchase rights subject to a time-based lapse) as if you had completed an additional twelve (12) months of service with the Company as of the date of your Regular Termination.]

[Effective as of the effective date of your Release, (i) the vesting and exercisability of all outstanding stock options to purchase the Company's common stock that are held by you on such date shall be accelerated in full, (ii) any then-outstanding reacquisition or repurchase rights held by the Company in respect of common stock issued pursuant to any other stock award granted to you by the Company shall lapse in full, and (iii) the vesting of any other stock awards granted to you

by the Company, and any issuance of shares triggered by the vesting of such stock awards, shall be accelerated in full. Notwithstanding the foregoing, this Section 2(a)(2)(i) shall not apply to stock awards issued under or held in any Qualified Plan. For purposes of determining the number of shares that will vest pursuant to the foregoing provision with respect to any performance based vesting award that has multiple vesting levels depending upon the level of performance, vesting acceleration shall occur with respect to the number of shares subject to the award as if the applicable performance criteria had been attained at a 100% level.]

(ii) In order to give effect to the intent of the foregoing provision, notwithstanding anything to the contrary set forth in your stock award agreements (or the applicable equity incentive plan under which such stock award was granted) that provides that any then-unvested portion of your award will immediately expire upon your termination of service, no unvested portion of your stock award shall terminate any earlier than three (3) months following any Involuntary Termination of your employment that occurs prior to a Closing. Notwithstanding anything to the contrary set forth herein, your stock awards shall remain subject to earlier termination in connection with a "Corporate Transaction" as provided in the Equity Plan or substantially equivalent provisions applicable to your stock award.]

(3) *Payment of Continued Group Health Plan Benefits*.

(i) If you timely elect continued group health plan continuation coverage under COBRA the Company shall pay the full amount of your COBRA premiums, or shall provide coverage under any self-funded plan, on behalf of you for your continued coverage under the Company's group health plans, including coverage for your eligible dependents, for the Severance Period (the "***COBRA Payment Period***"). Upon the conclusion of such period of insurance premium payments made by the Company, or the provision of coverage under a self-funded group health plan, you will be responsible for the entire payment of premiums (or payment for the cost of coverage) required under COBRA for the duration of your eligible COBRA coverage period. For purposes of this Section, (i) references to COBRA shall be deemed to refer also to analogous provisions of state law and (ii) any applicable insurance premiums that are paid by the Company shall not include any amounts payable by you under an Internal Revenue Code Section 125 health care reimbursement plan, which amounts, if any, are your sole responsibility.

(ii) Notwithstanding the foregoing, if at any time the Company determines, in its sole discretion, that it cannot provide the COBRA premium benefits without potentially incurring financial costs or penalties under applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then in lieu of paying COBRA premiums on the your behalf, the Company will instead pay you on the last day of each remaining month of the COBRA Payment Period a fully taxable cash payment equal to the COBRA premium for that month, subject to applicable tax withholding (such amount, the "***Special Severance Payment***"), such Special Severance Payment to be made without regard to yours election of COBRA coverage or payment of COBRA premiums and without regard to your continued eligibility for COBRA coverage during the COBRA Payment Period. Such Special Severance Payment shall end upon expiration of the COBRA Payment Period.

(b) Change in Control Termination. Upon a Change in Control Termination, you shall be eligible to receive the following severance benefits. For the avoidance of doubt, in no event shall you be entitled to benefits under both Section 2(a) and this Section 2(b). If you are eligible for severance benefits under both Section 2(a) and this Section 2(b), you shall receive the benefits set forth in this Section 2(b) and such benefits shall be reduced by any benefits previously provided to you under Section 2(a).

(1) *Cash Severance Benefit***.** You will receive the cash severance benefit described in Section 2(a)(1) above, except that:

(i) your Severance Period will be [_____ (___)] months and Base Salary payments will commence on the first payroll period following the later of (i) the effective date of your Release, or (ii) the effective date of the Closing; and

(ii) you will additionally be entitled to a portion of your target bonus, if any, established for you by the Board for the year in which your Change in Control Termination occurs, in an amount equal to your annual target bonus for such year, if any, multiplied by the quotient of the Severance Period divided by twelve (12), which shall be payable in a lump sum payment within ten (10) business days following the later of (i) the effective date of your Release, or (ii) the effective date of the Closing.

(2) *Accelerated Vesting of Stock Awards*.

(i) Effective as of the later of the effective date of your Release or the effective date of the Closing, to the extent not previously vested: (i) the vesting and exercisability of all outstanding stock options to purchase the Company's common stock that are held by you on such date shall be accelerated in full, (ii) any reacquisition or repurchase rights held by the Company in respect of common stock issued pursuant to any other stock award granted to you by the Company shall lapse in full, and (iii) the vesting of any other stock awards granted to you by the Company, and any issuance of shares triggered by the vesting of such stock awards, shall be accelerated in full. Notwithstanding the foregoing, this Section 2(b)(2) shall not apply to stock awards issued under or held in any Qualified Plan. For purposes of determining the number of shares that will vest pursuant to the foregoing provision with respect to any performance based vesting award that has multiple vesting levels depending upon the level of performance, vesting acceleration shall occur with respect to the number of shares subject to the award as if the applicable performance criteria had been attained at a 100% level.

(ii) In order to give effect to the intent of the foregoing provision, notwithstanding anything to the contrary set forth in your stock award agreements or the applicable equity incentive plan under which such stock award was granted that provides that any then unvested portion of your award will immediately expire upon your termination of service, no unvested portion of your stock award shall terminate any earlier than three (3) months following any Involuntary Termination of your employment that occurs prior to a Closing. Notwithstanding anything to the contrary set forth herein, your stock awards shall remain subject to earlier termination in connection with a "Corporate Transaction" as provided in the Equity Plan or substantially equivalent provisions applicable to your stock award.

(3) *Payment of Continued Group Health Plan Benefits*. You will receive the payment for continued group health plan benefits described in Section 2(a)[(3)] [(2)] above, except that the COBRA Payment Period will be equal to the Severance Period applicable to a Change in Control Termination as set forth in Section 2(b)(1) above.

Section 3. REQUIREMENTS DURING SEVERANCE PERIOD.

Your eligibility for and receipt of any severance benefits to which you may become entitled as described in Section 2 above is expressly contingent upon your timely execution of an effective Release and your compliance with the terms and conditions of the provisions of the Employee Confidential Information and Invention Assignment Agreement between you and the Company dated _____ as

may be amended from time to time (the "***CIIA***")**.** Severance benefits under this Agreement shall immediately cease in the event of your violation of the provisions in this Section 3.

Section 4. DEFINITIONS.

(a) "***Equity Plan***" means the Company's 2014 Equity Incentive Plan, as amended, or any successor or other equity incentive plan adopted by the Company which govern your stock awards, as applicable.

(b) "***Qualified Plan***" means a plan sponsored by the Company or an Affiliate that is intended to be qualified under Section 401(a) of the Internal Revenue Code.

Section 5. ACKNOWLEDGEMENTS.

As a condition to participation in the Plan, you hereby acknowledge each of the following:

(a) The severance benefits that may be provided to you under this Agreement are subject to all of the terms of the Plan which is incorporated into and becomes part of this Agreement, including but not limited to the reductions under Section 3 of the Plan.

(b) This Agreement and the Plan supersedes any severance benefit plan, policy or practice previously maintained by the Company that may have been applicable to you. This Agreement and the Plan do not supersede, replace or otherwise alter the CIIA.

(c) You may not sell, transfer, or otherwise assign or pledge your right to benefits under this Agreement and the Plan to either your creditors or to your beneficiary, except to the extent permitted by the Plan Administrator if such action would not result in adverse tax consequences under Section 409A.

To accept the terms of this Agreement and participate in the Plan, please sign and date this Agreement in the space provided below and return it to _____ no later than _____, ___.

Reneo Pharmaceuticals, Inc.

By: _____

Name: _____

Title: _____

_____ _____

[Eligible Employee] Date

ANNEX I

RENEO PHARMACEUTICALS, INC. SEVERANCE BENEFIT PLAN

EXHIBIT A

RELEASE AGREEMENT

I understand and agree completely to the terms set forth in the Reneo Pharmaceuticals, Inc. Severance Benefit Plan (the "*Plan*").

I understand that this Release Agreement (the "***Release***"), together with the Plan, constitutes the complete, final and exclusive embodiment of the entire agreement between the Company, affiliates of the Company and me with regard to the subject matter hereof. I am not relying on any promise or representation by the Company or an affiliate of the Company that is not expressly stated therein. Certain capitalized terms used in this Release are defined in the Plan.

I hereby confirm my continuing obligations under my confidential information and inventions agreement with the Company and/or an affiliate of the Company.

In consideration of the severance benefits and other consideration provided to me under the Plan that I am not otherwise entitled to receive, I hereby generally and completely release the Company and its affiliates and assigns, and their parents, subsidiaries, successors, predecessors and affiliates, and their current and former partners, members, directors, officers, employees, stockholders, shareholders, agents, attorneys, predecessors, successors, insurers, affiliates and assigns, from any and all claims, liabilities and obligations, both known and unknown, that arise out of or are in any way related to events, acts, conduct, or omissions occurring at any time prior to and including the date I sign this Release (collectively, the "***Released Claims***"). The Released Claims include, but are not limited to: (a) all claims arising out of or in any way related to my employment with the Company and its affiliates, or their affiliates, or the termination of that employment; (b) all claims related to my compensation or benefits, including salary, bonuses, commissions, vacation pay, expense reimbursements, severance pay, fringe benefits, stock, stock options, or any other ownership, equity, or profits interests in the Company and its affiliates, or their affiliates; (c) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (d) all tort claims, including claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (e) all federal, state, and local statutory claims, including claims for discrimination, harassment, retaliation, attorneys' fees, penalties, or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990 (as amended), the federal Age Discrimination in Employment Act (as amended) ("***ADEA***"), the federal Employee Retirement Income Security Act of 1974 (as amended), the California Fair Employment and Housing Act (as amended), the California Labor Code (as amended), and any other state or local fair employment practice laws and regulations.

Notwithstanding the foregoing, I understand that the following rights or claims are not included in the Released Claims: (a) any rights or claims for indemnification I may have pursuant to any written indemnification agreement with the Company or its affiliate to which I am a party; the charter, bylaws, or operating agreements of the Company or its affiliate; or under applicable law; or (b) any rights that cannot be waived as a matter of law. In addition, I understand that nothing in this Release prevents me from filing, cooperating with, or participating in any proceeding before the Equal Employment Opportunity Commission, the Department of Labor, the California Department of Fair Employment and Housing, or any other government agency, except that I hereby waive my right to any monetary benefits in connection with any such claim, charge or proceeding. I hereby represent and warrant that, other than the claims identified in this paragraph, I am not aware of any claims I have or might have that are not included in the Released Claims.

I acknowledge that I am knowingly and voluntarily waiving and releasing any rights I may have under the ADEA, and that the consideration given under the Plan for the waiver and release in this paragraph is in addition to anything of value to which I was already entitled. I further acknowledge that I have been advised by this writing, as required by the ADEA, that: (a) my waiver and release do not apply to any rights or claims that may arise after the date I sign this Release; (b) I should consult with an attorney prior to signing this Release (although I may choose voluntarily not do so); (c) I have twenty-one (21) days to consider this Release (although I may choose voluntarily to sign this Release earlier); (d) I have seven (7) days following the date I sign this Release to revoke the Release by providing written notice to an officer of the Company; and (e) this Release shall not be effective until the date upon which the revocation period has expired, which shall be the eighth day after I sign this Release provided I have not revoked it.

I acknowledge that I have read and understand Section 1542 of the California Civil Code which reads as follows: **"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."** I hereby expressly waive and relinquish all rights and benefits under that section and any law of any jurisdiction of similar effect with respect to my release of any claims I may have against the Company.

I hereby represent that I have been paid all compensation owed and for all hours worked; I have received all the leave and leave benefits and protections for which I am eligible pursuant to the Family and Medical Leave Act (if applicable), the California Family Rights Act (if applicable) or otherwise; and I have not suffered any on-the-job injury for which I have not already filed a workers' compensation claim.

I acknowledge that I must sign and return this Release to the Company so that it is received not later than twenty-one (21) days following the date it is provided to me or such other date as specified by the Company.

ELIGIBLE EMPLOYEE

Printed Name: _____

Signature: _____

Date: _____

EXHIBIT B

RELEASE AGREEMENT

I understand and agree completely to the terms set forth in the Reneo Pharmaceuticals, Inc. Severance Benefit Plan (the *"Plan"*).

I understand that this Release Agreement (the "***Release***"), together with the Plan, constitutes the complete, final and exclusive embodiment of the entire agreement between the Company, affiliates of the Company and me with regard to the subject matter hereof. I am not relying on any promise or representation by the Company or an affiliate of the Company that is not expressly stated therein. Certain capitalized terms used in this Release are defined in the Plan.

I hereby confirm my continuing obligations under my confidential information and inventions agreement with the Company and/or an affiliate of the Company.

In consideration of the severance benefits and other consideration provided to me under the Plan that I am not otherwise entitled to receive, I hereby generally and completely release the Company and its affiliates and assigns, and their parents, subsidiaries, successors, predecessors and affiliates, and its and their current and former partners, members, directors, officers, employees, stockholders, shareholders, agents, attorneys, predecessors, successors, insurers, affiliates and assigns, from any and all claims, liabilities and obligations, both known and unknown, that arise out of or are in any way related to events, acts, conduct, or omissions occurring at any time prior to and including the date I sign this Release (collectively, the "***Released Claims***"). The Released Claims include, but are not limited to: (a) all claims arising out of or in any way related to my employment with the Company and its affiliates, or their affiliates, or the termination of that employment; (b) all claims related to my compensation or benefits, including salary, bonuses, commissions, vacation pay, expense reimbursements, severance pay, fringe benefits, stock, stock options, or any other ownership, equity, or profits interests in the Company and its affiliates, or their affiliates; (c) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (d) all tort claims, including claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (e) all federal, state, and local statutory claims, including claims for discrimination, harassment, retaliation, attorneys' fees, penalties or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990 (as amended), the federal Age Discrimination in Employment Act (as amended) ("***ADEA***"), the federal Employee Retirement Income Security Act of 1974 (as amended), the California Fair Employment and Housing Act (as amended), the California Labor Code (as amended), and any other state or local fair employment practice laws and regulations.

Notwithstanding the foregoing, I understand that the following rights or claims are not included in the Released Claims: (a) any rights or claims for indemnification I may have pursuant to any written indemnification agreement with the Company or its affiliate to which I am a party; the charter, bylaws, or operating agreements of the Company or its affiliate; or under applicable law; or (b) any rights that cannot be waived as a matter of law. In addition, I understand that nothing in this Release prevents me from filing, cooperating with, or participating in any proceeding before the Equal Employment Opportunity Commission, the Department of Labor, the California Department of Fair Employment and Housing, or any other government agency, except that I hereby waive my right to any monetary benefits in connection with any such claim, charge or proceeding. I hereby represent and warrant that, other than the claims identified in this paragraph, I am not aware of any claims I have or might have that are not included in the Released Claims.

I acknowledge that I am knowingly and voluntarily waiving and releasing any rights I may have under the ADEA, and that the consideration given under the Plan for the waiver and release in this paragraph is in addition to anything of value to which I was already entitled. I further acknowledge that I have been advised by this writing, as required by the ADEA, that: (a) my waiver and release do not apply to any rights or claims that may arise after the date I sign this Release; (b) I should consult with an attorney prior to signing this Release (although I may choose voluntarily not to do so); (c) I have forty-five (45) days to consider this Release (although I may choose voluntarily to sign this Release earlier); (d) I have seven (7) days following the date I sign this Release to revoke the Release by providing written notice to an officer of the Company; (e) this Release shall not be effective until the date upon which the revocation period has expired, which shall be the eighth day after I sign this Release provided I have not revoked it; and (f) I have received with this Release all of the information required by the ADEA, including without limitation a detailed list of the job titles and ages of all employees who were terminated in this group termination and the ages of all employees of the Company in the same job classification or organizational unit who were not terminated.

I acknowledge that I have read and understand Section 1542 of the California Civil Code which reads as follows: **"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."** I hereby expressly waive and relinquish all rights and benefits under that section and any law of any jurisdiction of similar effect with respect to my release of any claims I may have against the Company.

I hereby represent that I have been paid all compensation owed and for all hours worked; I have received all the leave and leave benefits and protections for which I am eligible pursuant to the Family and Medical Leave Act (if applicable), the California Family Rights Act (if applicable) or otherwise; and I have not suffered any on-the-job injury for which I have not already filed a workers' compensation claim.

I acknowledge that I must sign and return this Release to the Company so that it is received not later than forty-five (45) days following the date it is provided to me or such other date as specified by the Company.

ELIGIBLE EMPLOYEE

Printed Name: _____

Signature: _____

Date: _____

EXHIBIT C

RELEASE AGREEMENT

I understand and agree completely to the terms set forth in the Reneo Pharmaceuticals, Inc. Severance Benefit Plan (the *"Plan"*).

I understand that this Release Agreement (the "***Release***"), together with the Plan, constitutes the complete, final and exclusive embodiment of the entire agreement between the Company, affiliates of the Company and me with regard to the subject matter hereof. I am not relying on any promise or representation by the Company or an affiliate of the Company that is not expressly stated therein. Certain capitalized terms used in this Release are defined in the Plan.

I hereby confirm my continuing obligations under my confidential information and inventions agreement with the Company and/or an affiliate of the Company.

In consideration of the severance benefits and other consideration provided to me under the Plan that I am not otherwise entitled to receive, I hereby generally and completely release the Company and its affiliates and assigns, and their parents, subsidiaries, successors, predecessors and affiliates, and its and their current and former partners, members, directors, officers, employees, stockholders, shareholders, agents, attorneys, predecessors, successors, insurers, affiliates and assigns, from any and all claims, liabilities and obligations, both known and unknown, that arise out of or are in any way related to events, acts, conduct, or omissions occurring at any time prior to and including the date I sign this Release (collectively, the "Released Claims"). The Released Claims include, but are not limited to: (a) all claims arising out of or in any way related to my employment with the Company and its affiliates, or their affiliates, or the termination of that employment; (b) all claims related to my compensation or benefits, including salary, bonuses, commissions, vacation pay, expense reimbursements, severance pay, fringe benefits, stock, stock options, or any other ownership, equity, or profits interests in the Company and its affiliates, or their affiliates; (c) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (d) all tort claims, including claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (e) all federal, state, and local statutory claims, including claims for discrimination, harassment, retaliation, attorneys' fees, penalties or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990 (as amended), the federal Employee Retirement Income Security Act of 1974 (as amended), the California Fair Employment and Housing Act (as amended), the California Labor Code (as amended), and any other state or local fair employment practice laws and regulations.

Notwithstanding the foregoing, I understand that the following rights or claims are not included in the Released Claims: (a) any rights or claims for indemnification I may have pursuant to any written indemnification agreement with the Company or its affiliate to which I am a party; the charter, bylaws, or operating agreements of the Company or its affiliate; or under applicable law; or (b) any rights that cannot be waived as a matter of law. In addition, I understand that nothing in this Release prevents me from filing, cooperating with, or participating in any proceeding before the Equal Employment Opportunity Commission, the Department of Labor, the California Department of Fair Employment and Housing, or any other government agency, except that I hereby waive my right to any monetary benefits in connection with any such claim, charge or proceeding. I hereby represent and warrant that, other than the claims identified in this paragraph, I am not aware of any claims I have or might have that are not included in the Released Claims.

I acknowledge that I have read and understand Section 1542 of the California Civil Code which reads as follows: **"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."** I hereby expressly waive and relinquish all rights and benefits under that section and any law of any jurisdiction of similar effect with respect to my release of any claims I may have against the Company.

I hereby represent that I have been paid all compensation owed and for all hours worked; I have received all the leave and leave benefits and protections for which I am eligible pursuant to the Family and Medical Leave Act (if applicable), the California Family Rights Act (if applicable) or otherwise; and I have not suffered any on-the-job injury for which I have not already filed a workers' compensation claim.

I acknowledge that to become effective, I must sign and return this Release to the Company so that it is received not later than fourteen (14) days following the date it is provided to me or such other date as specified by the Company.

ELIGIBLE EMPLOYEE

Printed Name: _____

Signature: _____

Date: _____

RENEO PHARMACEUTICALS, INC.

EMPLOYMENT AGREEMENT

This Employment Agreement (the "***Agreement***"), is made and entered into as of November 2, 2020 (the ***"Effective Date"***), by and between Gregory J. Flesher ("***Executive"***) and Reneo Pharmaceuticals, Inc. (the "***Company***").

WHEREAS, the Company and Executive desire to enter into this Agreement to define their mutual rights and duties with respect to Executive's compensation and benefits.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Employment by the Company.

1.1 Position.

(i) Executive shall serve as the Company's President and Chief Executive Officer and shall report to the Company's Board of Directors (the ***"Board"***). During the term of Executive's employment with the Company, Executive will devote Executive's best efforts and substantially all of Executive's business time and attention to the business of the Company, except for approved vacation periods and reasonable periods of illness or other incapacities permitted by the Company's general employment policies, and except as provided in Section 7.1.

(ii) Executive shall also serve as a member of the Board. Upon cessation of employment as President and Chief Executive Officer, Executive shall immediately resign from the Board, as well as from any other positions or offices to which Executive was elected or appointed in connection with Executive's position as President and Chief Executive Officer, unless otherwise requested by the Board.

1.2 Duties and Location. Executive shall perform such duties as are customarily associated with the position of President and Chief Executive Officer. Executive's primary office location shall be the Company's headquarters located in San Diego, California or such other location as may be mutually agreed by the Executive and the Board.

1.3 Policies and Practices. The employment relationship between the parties shall be governed by the general employment policies and practices of the Company, except that when the terms of this Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

2. Compensation.

2.1 Base Salary. For services to be rendered hereunder, Executive shall receive a base salary at the rate of $475,000 per year (the "***Base Salary***"), payable in accordance with the

Company's standard payroll practices, less standard payroll deductions and withholdings and payable in accordance with the Company's regular payroll schedule.

2.2 Bonus. Executive will be eligible for an annual discretionary bonus, with a target amount for such bonus of 50% of Executive's then current Base Salary (the "***Annual Bonus***"). Whether Executive receives an Annual Bonus for any given year, and the amount of any such Annual Bonus, will be determined in the good faith discretion of the Board (or the Compensation Committee thereof), based upon the Company's and Executive's achievement of objectives and milestones to be determined on an annual basis by the Board (or Compensation Committee thereof). No Annual Bonus is guaranteed and, in addition to the other conditions for earning such compensation, Executive must remain an employee in good standing of the Company on the scheduled Annual Bonus payment date in order to be eligible for any Annual Bonus.

3. Standard Company Benefits. Executive shall, in accordance with Company policy and the terms and conditions of the applicable Company benefit plan documents, be eligible to participate in the benefit and fringe benefit programs provided by the Company to its executive officers and other employees from time to time. Any such benefits shall be subject to the terms and conditions of the governing benefit plans and policies and may be changed by the Company in its discretion.

4. Expenses. The Company will reimburse Executive for reasonable travel, entertainment or other expenses incurred by Executive in furtherance or in connection with the performance of Executive's duties hereunder, in accordance with the Company's expense reimbursement policy as in effect from time to time.

5. Equity and Performance Award.

5.1 As soon as practicable following the later of the Effective Date and the initial closing of the Company's Series B Preferred Stock financing round, Executive shall be granted an option (the "***Initial Option Grant***") under and subject to the terms of the Company's 2014 Equity Incentive Plan, as amended (the "***Plan***") so that the total number of shares of Common Stock underlying the Initial Option Grant represent 5.0% of the fully-diluted (as-converted) outstanding share capital at such time. The Initial Option Grant shall have an exercise price per share equal to the fair market value of the Company's common stock as of the date of grant, as determined in good faith by the Board. One-fourth of the shares subject to the Initial Option Grant shall vest on the first anniversary of the Effective Date and the balance of the shares shall vest in a series of 36 successive equal monthly installments thereafter, subject to Executive's Continuous Service (as defined in the Plan) as of each such vesting date. The Company, in its sole discretion, may award Executive additional equity grants pursuant to the Company's equity incentive plans from time to time in its sole discretion.

5.2 If (i) the market value of the Company exceeds $750 million utilizing the volume-weighted average of the closing sale price of the Company's common stock on the Nasdaq Stock Market or other principal exchange for each of the 30 trading days immediately prior to the measurement date, or (ii) the fair market value of the net proceeds available for distribution to the Company's stockholders in connection with a Change of Control (as defined in the Severance Plan), as determined in good faith by the Board, exceeds $750 million (the "**Performance**

Milestone"), then subject to Executive's Continuous Service as of such date, the Company shall pay to Executive the sum of $7.5 million, which the Company shall have the right (in the Company's sole and absolute discretion) to pay in cash, common stock or a combination of cash and common stock (the "**Performance Award**"), provided that if the Company's common stock is not then publicly traded or is subject to an underwriters' lock-up restriction and the Company elects to pay any portion of the Performance Award in stock, then the Executive shall have the right to request that a portion of the award be paid in cash in an amount that is sufficient to satisfy the Company's tax withholding obligations with respect to such award. The Performance Award shall be paid within 30 days of the date when the Performance Milestone is achieved, or such later date as may be specified by Executive (but in no event later than March 15 of the following year in which the Performance Milestone is achieved).

6. Proprietary Information Obligations.

6.1 Proprietary Information Agreement. As a condition to employment, Executive agrees to execute, and will continue to abide by, the Company's standard Confidential Information and Invention Assignment Agreement attached hereto as **EXHIBIT A** (the "***Proprietary Agreement***").

6.2 Third-Party Agreements and Information. Executive represents and warrants that Executive's employment by the Company does not conflict with any prior employment or consulting agreement or other agreement with any third party, and that Executive will perform Executive's duties to the Company without violating any such agreement. Executive represents and warrants that Executive does not possess confidential information arising out of prior employment, consulting, or other third party relationships, that would be used in connection with Executive's employment by the Company, except as expressly authorized by that third party. During Executive's employment by the Company, Executive will use in the performance of Executive's duties only information that is generally known and used by persons with training and experience comparable to Executive's own, common knowledge in the industry, otherwise legally in the public domain, or obtained or developed by the Company or by Executive in the course of Executive's work for the Company.

7. Outside Activities, Non-Competition and Non-Solicitation.

7.1 Outside Activities. Throughout Executive's employment with the Company, Executive may engage in civic and not-for-profit activities so long as such activities do not interfere with the performance of Executive's duties hereunder or present a conflict of interest with the Company or its affiliates. Subject to the restrictions set forth herein, and only with prior written disclosure to and consent of the Board, Executive may engage in other types of business or public activities (and, for the avoidance of doubt, the activities listed on **ANNEX I** attached hereto are deemed disclosed to, and consented by, the Board). The Board may rescind such consent, if the Board determines, in its sole discretion, that such activities compromise or threaten to compromise the Company's or its affiliates' business interests or conflict with Executive's duties to the Company or its affiliates.

7.2 Non-Competition During Employment. During Executive's employment by the Company, Executive will not, without the express written consent of the Board, directly or

indirectly serve as an officer, director, stockholder, employee, partner, proprietor, investor, joint ventures, associate, representative or consultant of any person or entity engaged in, or planning or preparing to engage in, business activity competitive with any line of business engaged in (or planned to be engaged in) by the Company or its affiliates; provided, however, that Executive may purchase or otherwise acquire up to (but not more than) one percent (1%) of any class of securities of any enterprise (without participating in the activities of such enterprise) if such securities are listed on any national or regional securities exchange.

7.3 Non-Solicitation. Executive agrees that during the period of employment with the Company and for twelve (12) months after the date Executive's employment is terminated for any reason, Executive will not, either directly or through others, solicit or encourage or attempt to solicit or encourage any employee, independent contractor, or consultant of the Company to terminate his or her relationship with the Company in order to become an employee, consultant or independent contractor to or for any other person or entity.

8. Termination of Employment.

8.1 At-Will Employment. Executive's employment relationship is at-will. Either Executive or the Company may terminate the employment relationship at any time, with or without cause or advance notice.

8.2 Termination and Change in Control Benefits. Executive shall be eligible to participate in the Company's Severance Benefit Plan attached hereto as **EXHIBIT B-1**, as may be amended from time to time pursuant to its terms (the "***Severance Plan***"), and shall be eligible for the termination and change in control benefits as set forth in such Severance Plan and the Participation Agreement attached hereto as **EXHIBIT B-2**. Executive's eligibility and rights under the Severance Plan shall in all events be subject to the terms of such Severance Plan.

8.3 Section 409A. It is intended that all of the benefits and other payments payable under this Agreement satisfy, to the greatest extent possible, an exemption from the application of Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"), and the regulations and other guidance thereunder and any state law of similar effect (collectively **"*Section 409A*"**), and this Agreement will be construed to the greatest extent possible as consistent with those provisions, and to the extent not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A, and any ambiguities herein shall be interpreted accordingly.

8.4 Section 280G. If any payment or benefit Executive will or may receive from the Company or otherwise (a "***Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then such Payment will be equal to the Reduced Amount (defined below). The "***Reduced Amount***" will be either (l) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (2) the entire Payment, whichever amount after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate, net of the maximum reduction in federal income taxes which could be obtained from a deduction of such state and local taxes), results in Executive's receipt,

on an after-tax basis, of the greatest amount of the Payment. If a reduction in the Payment is to be made so that the Payment equals the Reduced Amount, (x) the Payment will be paid only to the extent permitted under the Reduced Amount alternative, and the Executive will have no rights to any additional payments and/or benefits constituting the Payment, and (y) reduction in payments and/or benefits will occur in the following order: (1) reduction of cash payments; (2) cancellation of accelerated vesting of equity awards other than stock options; (3) cancellation of accelerated vesting of stock options; and (4) reduction of other benefits paid to Executive. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of Executive's equity awards. In no event will the Company or any stockholder be liable to Executive for any amounts not paid as a result of the operation of this Section. The professional firm engaged by the Company for general tax purposes as of the day prior to the effective date of the change in control will perform the foregoing calculations. If the tax firm so engaged by the Company is serving as accountant or auditor for the acquirer, the Company will appoint a nationally recognized tax firm to make the determinations required hereunder. The Company will bear all expenses with respect to the determinations by such firm required to be made hereunder. If the tax firm determines that no Excise Tax is payable with respect to a Payment, either before or after the application of the Reduced Amount, it will furnish the Company and Executive with documentation that no Excise Tax is reasonably likely to be imposed with respect to such Payment. Any good faith determinations of the tax firm made hereunder will be final, binding and conclusive upon the Company and Executive.

9. Dispute Resolution. To ensure the rapid and economical resolution of disputes that may arise in connection with Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this Agreement, Executive's employment with the Company, or the termination of Executive's employment from the Company, will be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. §1-16, and to the fullest extent permitted by law, by final, binding and confidential arbitration conducted in San Diego, California by JAMS, Inc. ("***JAMS***") or its successors, under JAMS' then applicable rules and procedures for employment disputes (which can be found at http://www.jamsadr.com/rules-clauses/, and which will be provided to Executive on request); provided that the arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision including the arbitrator's essential findings and conclusions and a statement of the award. Executive and the Company shall be entitled to all rights and remedies that either would be entitled to pursue in a court of law. **Both Executive and the Company acknowledge that by agreeing to this arbitration procedure, they waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding**. The Company shall pay all filing fees in excess of those which would be required if the dispute were decided in a court of law, and shall pay the arbitrator's fee. Nothing in this Agreement is intended to prevent either the Company or Executive from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.

10. General Provisions.

10.1 Notices. Any notices provided must be in writing and will be deemed effective upon the earlier of personal delivery (including personal delivery by fax) or the next day

after sending by overnight carrier, to the Company at its primary office location and to Executive at the address as listed on the Company payroll.

10.2 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction to the extent possible in keeping with the intent of the Parties.

10.3 Waiver. Any waiver of any breach of any provisions of this Agreement must be in writing to be effective, and it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

10.4 Complete Agreement. This Agreement, together with the Proprietary Agreement, constitutes the entire agreement between Executive and the Company with regard to the subject matter hereof and is the complete, final, and exclusive embodiment of the Company's and Executive's agreement with regard to this subject matter. This Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. This Agreement cannot be modified or amended except in a writing signed by a duly authorized officer of the Company, with the exception of those changes expressly reserved to the Company's discretion in this Agreement.

10.5 Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but both of which taken together will constitute one and the same Agreement.

10.6 Headings. The headings of the paragraphs hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

10.7 Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive and the Company, and their respective successors, assigns, heirs, executors and administrators, except that Executive may not assign any of Executive's duties hereunder and Executive may not assign any of Executive's rights hereunder without the written consent of the Company, which shall not be withheld unreasonably.

10.8 Tax Withholding. All payments and awards contemplated or made pursuant to this Agreement will be subject to withholdings of applicable taxes in compliance with all relevant laws and regulations of all appropriate government authorities. Executive acknowledges and agrees that the Company has neither made any assurances nor any guarantees concerning the tax treatment of any payments or awards contemplated by or made pursuant to this Agreement. Executive has had the opportunity to retain a tax and financial advisor and fully understands the tax and economic consequences of all payments and awards made pursuant to the Agreement.

10.9 Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of the State of California.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first written above.

RENEO PHARMACEUTICALS, INC.

By: /s/ Michael Grey
Mike Grey
Chairman of the Board

Executive

/s/ Gregory J. Flesher
GREGORY J. FLESHER

ANNEX I

[*To be completed, if applicable*]

EXHIBIT A

PROPRIETARY AGREEMENT

EXHIBIT B-1

SEVERANCE PLAN

EXHIBIT B-2

PARTICIPATION AGREEMENT

Exhibit 10.11

February 1, 2018

Niall O'Donnell, Ph.D.
[...***...]

Re: Position as President and Chief Executive Officer of Reneo Pharmaceuticals, Inc.

Dear Dr. O'Donnell:

This letter confirms, on behalf of Reneo Pharmaceuticals, Inc. (the "***Company***"), the terms on which you will continue to serve as President and Chief Executive Officer of the Company.

As President and Chief Executive Officer, you shall report to the Company's Board of Directors ("***Board***") and shall perform such duties as are customarily associated with the position of President and Chief Executive Officer and such other duties as are assigned to you by the Board.

As compensation for your service as President and Chief Executive Officer, on January 31, 2018, the Board approved, contingent and effective upon (i) receipt by the Company of a final 409A valuation report performed by an independent valuation firm and an affirmative determination by the Board of the fair market value of the Company's Common Stock (the "***Common Stock***") and (ii) you providing services to the Company at such time, the grant of an option to you to purchase 378,425 shares of Common Stock with an exercise price per share equal to the fair market value of a share of Common Stock on the date such grant becomes effective (the "Gran?). The Grant is governed by the terms and conditions of the Company's 2014 Equity Incentive Plan, as amended (the "Plan"), and your grant agreement, and includes a vesting schedule under which the shares subject to the Grant vest in a series of twenty-four (24) successive equal monthly installments measured from January 1, 2018, subject to your Continuous Service (as defined in the Plan) as of each such date. In the event that you (i) are terminated by the Company without Cause (as defined in the Plan) or (ii) resign for Good Reason (as defined in the Company's Severance Benefit Plan), the vesting of the Grant shall be accelerated in full. With the exception of the Grant, you will not receive any base salary, annual bonus, or other compensation or benefits for your service as President and Chief Executive Officer.

The Company will also reimburse you for reasonable out-of-pocket expenses incurred in connection with your service as President and Chief Executive Officer in accordance with the Company's established reimbursement policies.

As a Company employee, you will be expected to abide by Company rules and policies. You also agree to continue to abide by the terms and conditions of that certain Employee

Confidential Information and Invention Assignment Agreement between you and the Company dated February 1, 2018 as may be amended from time to time (the "***CIIAA***").

Your employment with the Company is "***at-will.***" You may terminate your employment with the Company at any time and for any reason whatsoever simply by notifying the Company. Likewise, the Company may terminate your employment at any time, with or without cause or advance notice. Your employment at-will status can only be modified in a written agreement approved by the Board.

This letter, along with the CIIAA and the documentation reflecting the Grant referred to herein, constitute the entire agreement between you and the Company regarding the subject matter hereof. This letter supersedes any other agreements or promises made to you by anyone, whether oral or written, and it may only be modified in a writing signed by you and a duly authorized officer of the Company.

If the terms of this letter are acceptable to you, please sign and date this letter below and return it to me, retaining a copy for your records.

Very truly yours,

RENO PHARMACEUTICALS, INC.

/s/ Michael Grey
Michael Grey
Executive Chairman

Accepted and agreed:

/s/ Niall O'Donnell
Niall O'Donnell, Ph.D.

Date: 2/20/2018

RENEO PHARMACEUTICALS, INC.

EMPLOYMENT AGREEMENT

for

WENDY JOHNSON

This Employment Agreement (the "***Agreement***"), is made and entered into as of February 1, 2018, by and between Wendy Johnson ("***Executive***") and Reneo Pharmaceuticals, Inc. (the "***Company***").

WHEREAS, the Company and Executive desire to enter into this Agreement to define their mutual rights and duties with respect to Executive's compensation and benefits.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Employment by the Company.

1.1 Position. Executive shall serve as the Company's Chief Operating Officer and shall report to the Company's President and Chief Executive Officer. During the term of Executive's employment with the Company, Executive will devote Executive's best efforts and substantially all of Executive's business time and attention to the business of the Company, except for approved vacation periods and reasonable periods of illness or other incapacities permitted by the Company's general employment policies.

1.2 Duties and Location. Executive shall perform such duties as are customarily associated with the position of Chief Operating Officer and such other duties as are assigned to Executive by the President and Chief Executive Officer. Executive's primary office location shall be the Company's headquarters located in San Diego, California. Subject to the terms of this Agreement, the Company reserves the right to (a) reasonably require Executive to perform Executive's duties at places other than Executive's primary office location from time to time and to require reasonable business travel, and (b) modify Executive's job title and duties as it deems necessary and appropriate in light of the Company's needs and interests from time to time.

1.3 Policies and Procedures. The employment relationship between the parties shall be governed by the general employment policies and practices of the Company, except that when the terms of this Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

2. Compensation.

2.1 Base Salary. For services to be rendered hereunder, Executive shall receive a base salary at the rate of $320,000 per year (the "***Base Salary***"), less standard payroll

deductions and withholdings and payable in accordance with the Company's regular payroll schedule.

2.2 Bonus. Executive will be eligible for an annual discretionary bonus, with a target amount of such bonus of thirty-five percent (35%) of Executive's then current Base Salary (the "***Annual Bonus***"). Whether Executive receives an Annual Bonus for any given year, and the amount of any such Annual Bonus, will be determined in the good faith discretion of the Company's Board of Directors ("***Board***") (or the Compensation Committee thereof), based upon the Company's and Executive's achievement of objectives and milestones to be determined on an annual basis by the Board (or Compensation Committee thereof). No Annual Bonus is guaranteed and, in addition to the other conditions for earning such compensation, Executive must remain an employee in good standing of the Company on the scheduled Annual Bonus payment date in order to be eligible for any Annual Bonus.

3. Standard Company Benefits. Executive shall, in accordance with Company policy and the terms and conditions of the applicable Company benefit plan documents, be eligible to participate in the benefit and fringe benefit programs provided by the Company to its executive officers and other employees from time to time. Any such benefits shall be subject to the terms and conditions of the governing benefit plans and policies and may be changed by the Company in its discretion.

4. Expenses. The Company will reimburse Executive for reasonable travel, entertainment or other expenses incurred by Executive in furtherance or in connection with the performance of Executive's duties hereunder, in accordance with the Company's expense reimbursement policy as in effect from time to time.

5. Equity. Upon approval by the Board, Executive shall be granted an option to purchase 500,000 shares of the Company's common stock (the "***Option Award***") under and subject to the terms of the Company's 2014 Equity Incentive Plan, as amended (the "***Plan***"). The Option Award shall have an exercise price per share equal to the fair market value of the Company's common stock as of the date of grant, as determined in good faith by the Board, and shall be immediately exercisable in full. Nine twenty-fourths (9/24ths) of the shares subject to the Option Award shall vest on the nine month anniversary of September 1, 2017 and the balance of the shares shall vest in a series of fifteen (15) successive equal monthly installments thereafter, subject to Executive's Continuous Service (as defined in the Plan) as of each such vesting date. The Company, in its sole discretion, may award Executive additional equity grants pursuant to the Company's equity incentive plans from time to time in its sole discretion.

6. Proprietary Information Obligations.

6.1 Proprietary Information Agreement. As a condition to employment, Executive agrees to execute, and will continue to abide by, the Company's standard Confidential Information and Invention Assignment Agreement attached hereto as **EXHIBIT A** ("***Proprietary Agreement***").

6.2 Third-Party Agreements and Information. Executive represents and warrants that Executive's employment by the Company does not conflict with any prior

employment or consulting agreement or other agreement with any third party, and that Executive will perform Executive's duties to the Company without violating any such agreement. Executive represents and warrants that Executive does not possess confidential information arising out of prior employment, consulting, or other third party relationships, that would be used in connection with Executive's employment by the Company, except as expressly authorized by that third party. During Executive's employment by the Company, Executive will use in the performance of Executive's duties only information that is generally known and used by persons with training and experience comparable to Executive's own, common knowledge in the industry, otherwise legally in the public domain, or obtained or developed by the Company or by Executive in the course of Executive's work for the Company.

7. Outside Activities and Non-Competition and No-Solicit.

7.1 Outside Activities. Throughout Executive's employment with the Company, Executive may engage in civic and not-for-profit activities so long as such activities do not interfere with the performance of Executive's duties hereunder or present a conflict of interest with the Company or its affiliates. Subject to the restrictions set forth herein, and only with prior written disclosure to and consent of the Board, Executive may engage in other types of business or public activities (and, for the avoidance of doubt, the activities listed on **ANNEX I** attached hereto are deemed disclosed to, and consented by, the Board). The Board may rescind such consent, if the Board determines, in its sole discretion, that such activities compromise or threaten to compromise the Company's or its affiliates' business interests or conflict with Executive's duties to the Company or its affiliates.

7.2 Non-Competition During Employment. Except as otherwise provided in this Agreement, during Executive's employment by the Company, Executive will not, without the express written consent of the Board, directly or indirectly serve as an officer, director, stockholder, employee, partner, proprietor, investor, joint ventures, associate, representative or consultant of any person or entity engaged in, or planning or preparing to engage in, business activity competitive with any line of business engaged in (or planned to be engaged in) by the Company or its affiliates; provided, however, that Executive may purchase or otherwise acquire up to (but not more than) one percent (1%) of any class of securities of any enterprise (without participating in the activities of such enterprise) if such securities are listed on any national or regional securities exchange. In addition, Executive will be subject to certain restrictions (including restrictions continuing after Executive's employment ends) under the terms of the Proprietary Agreement.

7.3 Non-Solicitation. Executive agrees that during the period of employment with the Company and for twelve (12) months after the date Executive's employment is terminated for any reason, Executive will not, either directly or through others, solicit or encourage or attempt to solicit or encourage any employee, independent contractor, or consultant of the Company to terminate his or her relationship with the Company in order to become an employee, consultant or independent contractor to or for any other person or entity.

8. Termination of Employment.

8.1 At-Will Employment. Executive's employment relationship is at-will. Either Executive or the Company may terminate the employment relationship at any time, with or without cause or advance notice.

8.2 Termination and Change in Control Benefits. Executive shall be eligible to participate in the Company's Severance Benefit Plan attached hereto as **EXHIBIT B-1**, as may be amended from time to time pursuant to its terms (the "***Severance Plan***"), and shall be eligible for the termination and change in control benefits as set forth in such Severance Plan and the Participation Agreement attached hereto as **EXHIBIT B-2**. Executive's eligibility and rights under the Severance Plan shall in all events be subject to the terms of such Severance Plan.

8.3 Section 409A. It is intended that all of the benefits and other payments payable under this Agreement satisfy, to the greatest extent possible, an exemption from the application of Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"), and the regulations and other guidance thereunder and any state law of similar effect (collectively **"*Section 409A*"**), and this Agreement will be construed to the greatest extent possible as consistent with those provisions, and to the extent not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A, and any ambiguities herein shall be interpreted accordingly.

8.4 Section 280G. If any payment or benefit Executive will or may receive from the Company or otherwise (a "***Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then such Payment will be equal to the Reduced Amount (defined below). The "***Reduced Amount***" will be either (l) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (2) the entire Payment, whichever amount after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate, net of the maximum reduction in federal income taxes which could be obtained from a deduction of such state and local taxes), results in Executive's receipt, on an after-tax basis, of the greatest amount of the Payment. If a reduction in the Payment is to be made so that the Payment equals the Reduced Amount, (x) the Payment will be paid only to the extent permitted under the Reduced Amount alternative, and the Executive will have no rights to any additional payments and/or benefits constituting the Payment, and (y) reduction in payments and/or benefits will occur in the following order: (1) reduction of cash payments; (2) cancellation of accelerated vesting of equity awards other than stock options; (3) cancellation of accelerated vesting of stock options; and (4) reduction of other benefits paid to Executive. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of Executive's equity awards. In no event will the Company or any stockholder be liable to Executive for any amounts not paid as a result of the operation of this Section. The professional firm engaged by the Company for general tax purposes as of the day prior to the effective date of the change in control will perform the foregoing calculations. If the tax firm so engaged by the Company is serving as accountant or auditor for the acquirer, the Company will appoint a nationally recognized tax firm to make the determinations required

hereunder. The Company will bear all expenses with respect to the determinations by such firm required to be made hereunder. If the tax firm determines that no Excise Tax is payable with respect to a Payment, either before or after the application of the Reduced Amount, it will furnish the Company and Executive with documentation that no Excise Tax is reasonably likely to be imposed with respect to such Payment. Any good faith determinations of the tax firm made hereunder will be final, binding and conclusive upon the Company and Executive.

9. Dispute Resolution. To ensure the rapid and economical resolution of disputes that may arise in connection with Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this Agreement, Executive's employment with the Company, or the termination of Executive's employment from the Company, will be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. §1-16, and to the fullest extent permitted by law, by final, binding and confidential arbitration conducted in San Diego, California by JAMS, Inc. ("***JAMS***") or its successors, under JAMS' then applicable rules and procedures for employment disputes (which can be found at http://www.jamsadr.com/rules-clauses/, and which will be provided to Executive on request); provided that the arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision including the arbitrator's essential findings and conclusions and a statement of the award. Executive and the Company shall be entitled to all rights and remedies that either would be entitled to pursue in a court of law. **Both Executive and the Company acknowledge that by agreeing to this arbitration procedure, they waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding**. The Company shall pay all filing fees in excess of those which would be required if the dispute were decided in a court of law, and shall pay the arbitrator's fee. Nothing in this Agreement is intended to prevent either the Company or Executive from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.

10. General Provisions.

10.1 Notices. Any notices provided must be in writing and will be deemed effective upon the earlier of personal delivery (including personal delivery by fax) or the next day after sending by overnight carrier, to the Company at its primary office location and to Executive at the address as listed on the Company payroll.

10.2 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction to the extent possible in keeping with the intent of the Parties.

10.3 Waiver. Any waiver of any breach of any provisions of this Agreement must be in writing to be effective, and it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

10.4 Complete Agreement. This Agreement, together with the Proprietary Agreement, constitutes the entire agreement between Executive and the Company with regard to the subject matter hereof and is the complete, final, and exclusive embodiment of the Company's and Executive's agreement with regard to this subject matter. This Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. This Agreement cannot be modified or amended except in a writing signed by a duly authorized officer of the Company, with the exception of those changes expressly reserved to the Company's discretion in this Agreement.

10.5 Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but both of which taken together will constitute one and the same Agreement.

10.6 Headings. The headings of the paragraphs hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

10.7 Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive and the Company, and their respective successors, assigns, heirs, executors and administrators, except that Executive may not assign any of Executive's duties hereunder and Executive may not assign any of Executive's rights hereunder without the written consent of the Company, which shall not be withheld unreasonably.

10.8 Tax Withholding. All payments and awards contemplated or made pursuant to this Agreement will be subject to withholdings of applicable taxes in compliance with all relevant laws and regulations of all appropriate government authorities. Executive acknowledges and agrees that the Company has neither made any assurances nor any guarantees concerning the tax treatment of any payments or awards contemplated by or made pursuant to this Agreement. Executive has had the opportunity to retain a tax and financial advisor and fully understands the tax and economic consequences of all payments and awards made pursuant to the Agreement.

10.9 Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of the State of California.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first written above.

RENEO PHARMACEUTICALS, INC.

By: /s/ Niall O'Donnell
Niall O'Donnell, Ph.D.
President and Chief Executive Officer

EXECUTIVE

/s/ Wendy Johnson
WENDY JOHNSON

ANNEX I

Board member of MorphoSys AG

Board member of AmpliPhi Biosystems, Inc.

Consultant to Recardio, Inc.

Consultant to Epitracker, Inc.

EXHIBIT A

PROPRIETARY AGREEMENT

EXHIBIT B-1

SEVERANCE PLAN

EXHIBIT B-2

PARTICIPATION AGREEMENT

RENEO PHARMACEUTICALS, INC.

EMPLOYMENT AGREEMENT

for

ALEJANDRO DORENBAUM, M.D.

This Employment Agreement (the "***Agreement***"), is made and entered into effective as of January 1, 2018, by and between Alejandro Dorenbaum, M.D. ("***Executive***") and Reneo Pharmaceuticals, Inc. (the "***Company***").

WHEREAS, the Company and Executive desire to enter into this Agreement to define their mutual rights and duties with respect to Executive's compensation and benefits.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Employment by the Company.

1.1 Position. Executive shall have as the Company's Chief Medical Officer and shall report to the Company's President and Chief Executive Officer. During the term of Executive's employment with the Company, Executive will devote Executive's best efforts and substantially all of Executive's business time and attention to the business of the Company, except for approved vacation periods and reasonable periods of illness or other incapacities permitted by the Company's general employment policies.

1.2 Duties and Location. Executive shall perform such duties as are customarily associated with the position of Chie Medical Officer and such other duties as are assigned to Executive by the President and Chief Executive Officer. Executive shall work primarily from Executive's home in Northern California, although it is expected that Executive will be at the Company's headquarters in San Diego, California on a schedule to be mutually agreed upon by Executive and the Company. For the avoidance of doubt, Executive will not be required to permanently relocate outside of Northern California without Executive's consent. Subject to the terms of this Agreement, the Company reserves the right to (a) reasonably require Executive to perform Executive's duties at places other than Executive's primary office location from time to time and to require reasonable business travel, and (b) modify Executive's job title and duties as it deems necessary and appropriate in light of the Company's needs and interests from time to time.

1.3 Policies and Procedures. The employment relationship between the parties shall be governed by the general employment policies and practices of the Company, except that when the terms of this Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

2. Compensation.

2.1 Base Salary. For services to be rendered hereunder, Executive shall receive a base salary at the rate of $320,000 per year (the "***Base Salary***"), less standard payroll deductions and withholdings and payable in accordance with the Company's regular payroll schedule.

2.2 Bonus. Executive will be eligible for an annual discretionary bonus, with a target amount of such bonus of thirty-five percent (35%) of Executive's then current Base Salary (the "***Annual Bonus***")**.** Whether Executive receives an Annual Bonus for any given year, and the amount of any such Annual Bonus, will be determined in the good faith discretion of the Company's Board of Directors ("***Board***") (or the Compensation Committee thereof), based upon the Company's and Executive's achievement of objectives and milestones to be determined on an annual basis by the Board (or Compensation Committee thereof). No Annual Bonus is guaranteed and, except as otherwise provided in Section 8.2, in addition to the other conditions for earning such compensation, Executive must remain an employee in good standing of the Company on the scheduled Annual Bonus payment date in order to be eligible for any Annual Bonus.

3. Standard Company Benefits. Executive shall, in accordance with Company policy and the terms and conditions of the applicable Company benefit plan documents, be eligible to participate in the benefit and fringe benefit programs provided by the Company to its executive officers and other employees from time to time. Any such benefits shall be subject to the terms and conditions of the governing benefit plans and policies and may be changed by the Company in its discretion.

4. Expenses. The Company will reimburse Executive for reasonable travel, entertainment or other expenses incurred by Executive in furtherance or in connection with the performance of Executive's duties hereunder, in accordance with the Company's expense reimbursement policy as in effect from time to time.

5. Equity. Upon approval by the Board, Executive shall be granted an option topurchase 525,370 shares of the Company's common stock (the "***Option Award***") under and subject to the terms of the Company's 2014 Equity Incentive Plan, as amended (the "***Plan***"). The Option Award shall have an exercise price per share equal to the fair market value of the Company's common stock as of the date of grant, as determined in good faith by the Board, and shall be immediately exercisable in full. One-fourth (1/4th) of the shares subject to the Option Award shall vest on the one year anniversary of January 1, 2018 and the balance of the shares shall vest in a series of thirty-six (36) successive equal monthly installments thereafter, subject to Executive's Continuous Service (as defined in the Plan) as of each such vesting date. The Company, in its sole discretion, may award Executive additional equity grants pursuant to the Company's equity incentive plans from time to time in its sole discretion.

6. Proprietary Information Obligations.

6.1 Proprietary Information Agreement. As a condition to employment, Executive agrees to execute, and will continue to abide by, the Company's standard Confidential Information and Invention Assignment Agreement attached hereto as **EXHIBIT** A ("***Proprietary Agreement***").

6.2 Third-Party Agreements and Information. Executive represents and warrants that Executive's employment by the Company does not conflict with any prior employment or consulting agreement or other agreement with any third party, and that Executive will perform Executive's duties to the Company without violating any such agreement. Executive represents and warrants that Executive does not possess confidential information arising out of prior employment, consulting, or other third party relationships, that would be used in connection with Executive's employment by the Company, except as expressly authorized by that third party. During Executive's employment by the Company, Executive will use in the performance of Executive's duties only information that is generally known and used by persons with training and experience comparable to Executive's own, common knowledge in the industry, otherwise legally in the public domain, or obtained or developed by the Company or by Executive in the course of Executive's work for the Company.

7. Outside Activities and Non-Competition and No-Solicit.

7.1 Outside Activities. Throughout Executive's employment with the Company, Executive may engage in civic and not-for-profit activities so long as such activities do not interfere with the performance of Executive's duties hereunder or present a conflict of interest with the Company or its affiliates. Subject to the restrictions set forth herein, and only with prior written disclosure to and consent of the Company's Chief Executive Officer, Executive may engage in other types of business or public activities (and, for the avoidance of doubt, the activities listed on **ANNEX I** attached hereto are deemed disclosed to, and consented by, the Company's Chief Executive Officer). The Company's Chief Executive Officer may rescind such consent, if the Company's Chief Executive Officer determines, in his/her sole discretion, that such activities compromise or threaten to compromise the Company's or its affiliates' business interests or conflict with Executive's duties to the Company or its affiliates.

7.2 Non-Competition During Employment. Except as otherwise provided in this Agreement, during Executive's employment by the Company, Executive will not, without the express written consent of the Board, directly or indirectly serve as an officer, director, stockholder, employee, partner, proprietor, investor, joint ventures, associate, representative or consultant of any person or entity engaged in, or planning or preparing to engage in, business activity competitive with any line of business engaged in (or planning or preparing to engage in) by the Company or its affiliates; provided, however, that Executive may purchase or otherwise acquire up to (but not more than) one percent (1%) of any class of securities of any enterprise (without participating in the activities of such enterprise) if such securities are listed on any national or regional securities exchange. In addition, Executive will be subject to certain restrictions (including restrictions continuing after Executive's employment ends) under the terms of the Proprietary Agreement.

7.3 Non-Solicitation. Executive agrees that during the period of employment with the Company and for twelve (12) months after the date Executive's employment is terminated for any reason, Executive will not, either directly or through others, solicit or encourage or attempt to solicit or encourage any employee, independent contractor, or consultant of the Company to terminate his or her relationship with the Company in order to become an employee, consultant or independent contractor to or for any other person or entity.

8. Termination of Employment.

8.1 At-Will Employment. Executive's employment relationship is at-will. Either Executive or the Company may terminate the employment relationship at any time, with or without cause or advance notice.

8.2 Termination and Change in Control Benefits. Executive shall be eligible to participate in the Company's Severance Benefit Plan attached hereto as as may be amended from time to time pursuant to its terms (the "***Severance Plan***"), eligible for the termination and change in control benefits as set forth in such S the Participation Agreement attached hereto as **EXHIBIT B-2.** Executive's eligibility and rights under the Severance Plan shall in all events be subject to the terms of such Severance Plan.

8.3 Section 280G. If any payment or benefit Executive will or may receive from the Company or otherwise (a "***Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then such Payment will be equal to the Reduced Amount (defined below). The "***Reduced Amount***" will be either (1) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (2) the entire Payment, whichever amount after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate, net of the maximum reduction in federal income taxes which could be obtained from a deduction of such state and local taxes), results in Executive's receipt, on an after-tax basis, of the greatest amount of the Payment. If a reduction in the Payment is to be made so that the Payment equals the Reduced Amount, (x) the Payment will be paid only to the extent permitted under the Reduced Amount alternative, and the Executive will have no rights to any additional payments and/or benefits constituting the Payment, and (y) reduction in payments and/or benefits will occur in the following order: (1) reduction of cash payments; (2) cancellation of accelerated vesting of equity awards other than stock options; (3) cancellation of accelerated vesting of stock options; and (4) reduction of other benefits paid to Executive. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of Executive's equity awards. In no event will the Company or any stockholder be liable to Executive for any amounts not paid as a result of the operation of this Section. The professional firm engaged by the Company for general tax purposes as of the day prior to the effective date of the change in control will perform the foregoing calculations. If the tax firm so engaged by the Company is serving as accountant or auditor for the acquirer, the Company will appoint a nationally recognized tax firm to make the determinations required hereunder. The Company will bear all expenses with respect to the determinations by such firm required to be made hereunder. If the tax firm determines that no Excise Tax is payable with respect to a Payment, either before or after the application of the Reduced Amount, it will furnish the Company and Executive with documentation that no Excise Tax is reasonably likely to be imposed with respect to such Payment. Any good faith determinations of the tax firm made hereunder will be final, binding and conclusive upon the Company and Executive.

9. Dispute Resolution. To ensure the rapid and economical resolution of disputes that may arise in connection with Executive's employment with the Company, Executive and the

Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this Agreement, Executive's employment with the Company, or the termination of Executive's employment from the Company, will be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. §1-16, and to the fullest extent permitted by law, by final, binding and confidential arbitration conducted in San Diego, California by JAMS, Inc. ("***JAMS***") or its successors, under JAMS' then applicable rules and procedures for employment disputes (which can be found at http://www.jamsadr.com/rules-clauses/, and which will be provided to Executive on request); provided that the arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision including the arbitrator's essential findings and conclusions and a statement of the award. Executive and the Company shall be entitled to all rights and remedies that either would be entitled to pursue in a court of law. **Both Executive and the Company acknowledge that by agreeing to this arbitration procedure, they waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding**. The Company shall pay all filing fees in excess of those which would be required if the dispute were decided in a court of law, and shall pay the arbitrator's fee. Nothing in this Agreement is intended to prevent either the Company or Executive from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.

10. General Provisions.

10.1 Notices. Any notices provided must be in writing and will be deemed effective upon the earlier of personal delivery (including personal delivery by fax) or the next day after sending by overnight carrier, to the Company at its primary office location and to Executive at the address as listed on the Company payroll.

10.2 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction to the extent possible in keeping with the intent of the Parties.

10.3 Waiver. Any waiver of any breach of any provisions of this Agreement must be in writing to be effective, and it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

10.4 Complete Agreement. This Agreement, together with the Proprietary Agreement, constitutes the entire agreement between Executive and the Company with regard to the subject matter hereof and is the complete, final, and exclusive embodiment of the Company's and Executive's agreement with regard to this subject matter. This Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. This Agreement cannot be modified or amended except in a writing signed by a duly authorized officer of the Company, with the exception of those changes expressly reserved to the Company's discretion in this Agreement.

10.5 Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but both of which taken together will constitute one and the same Agreement.

10.6 Headings. The headings of the paragraphs hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

10.7 Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive and the Company, and their respective successors, assigns, heirs, executors and administrators, except that Executive may not assign any of Executive's duties hereunder and Executive may not assign any of Executive's rights hereunder without the written consent of the Company, which shall not be withheld unreasonably.

10.8 Tax Withholding. All payments and awards contemplated or made pursuant to this Agreement will be subject to withholdings of applicable taxes in compliance with all relevant laws and regulations of all appropriate government authorities. Executive acknowledges and agrees that the Company has neither made any assurances nor any guarantees concerning the tax treatment of any payments or awards contemplated by or made pursuant to this Agreement. Executive has had the opportunity to retain a tax and financial advisor and fully understands the tax and economic consequences of all payments and awards made pursuant to the Agreement.

10.9 Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of the State of California.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first written above.

RENEO PHARMACEUTICALS, INC.

By: /s/ Niall O' Donnell
Niall O'Donnell, Ph.D.
President and Chief Executive Officer

EXECUTIVE

/s/ Alejandro Dorenbaum
ALEJANDRO DORENBAUM, M.D.

ANNEX I

Stanford University — clinical position to see patients once a week

Balance Therapeutics, Inc. — consultant to help develop clinical program in hypersomnia

Spruce Biosciences, Inc. — clinical advisor

Parvus Therapeutics, Inc. — clinical advisor

EXHIBIT A

Proprietary Agreement

9.

EXHIBIT B-1

Severance Plan

10.

EXHIBIT B-2

Participation Agreement

11.

RENEO PHARMACEUTICALS, INC.

EMPLOYMENT AGREEMENT

This Employment Agreement (the "***Agreement***"), is made and entered into as of November 20, 2020 (the "***Effective Date***"), by and between Michael Cruse ("***Executive"***) and Reneo Pharmaceuticals, Inc. (the "***Company***").

WHEREAS, the Company and Executive desire to enter into this Agreement to define their mutual rights and duties with respect to Executive's compensation and benefits.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Employment by the Company.

1.1 Position. Executive shall serve as the Company's Senior Vice President, Corporate Operations and shall report to the Company's President and Chief Executive Officer. During the term of Executive's employment with the Company, Executive will devote Executive's best efforts and substantially all of Executive's business time and attention to the business of the Company, except for approved vacation periods and reasonable periods of illness or other incapacities permitted by the Company's general employment policies, and except as provided in Section 7.1.

1.2 Duties and Location. Executive shall perform such duties as are customarily associated with the position of Vice President, Corporate Operations and such other duties as are assigned to Executive by the President and Chief Executive Officer. Executive's primary office location shall be the Company's headquarters located in San Diego, California. Subject to the terms of this Agreement, the Company reserves the right to (a) reasonably require Executive to perform Executive's duties at places other than Executive's primary office location from time to time and to require reasonable business travel, and (b) modify Executive's job title and duties as it deems necessary and appropriate in light of the Company's needs and interests from time to time.

1.3 Policies and Practices. The employment relationship between the parties shall be governed by the general employment policies and practices of the Company, except that when the terms of this Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

2. Compensation.

2.1 Base Salary. For services to be rendered hereunder, Executive shall receive a base salary at the rate of $300,000 per year (the "***Base Salary***"), less standard payroll deductions and withholdings and payable in accordance with the Company's regular payroll schedule.

2.2 Bonus. Executive will be eligible for an annual discretionary bonus, with a target amount for such bonus of thirty percent (30%) of Executive's then current Base Salary (the

"***Annual Bonus***"). Whether Executive receives an Annual Bonus for any given year, and the amount of any such Annual Bonus, will be determined in the good faith discretion of the Company's Board of Directors ("***Board***") (or the Compensation Committee thereof), based upon the Company's and Executive's achievement of objectives and milestones to be determined on an annual basis by the Board (or Compensation Committee thereof). No Annual Bonus is guaranteed and, in addition to the other conditions for earning such compensation, Executive must remain an employee in good standing of the Company on the scheduled Annual Bonus payment date in order to be eligible for any Annual Bonus.

3. Standard Company Benefits. Executive shall, in accordance with Company policy and the terms and conditions of the applicable Company benefit plan documents, be eligible to participate in the benefit and fringe benefit programs provided by the Company to its executive officers and other employees from time to time. Any such benefits shall be subject to the terms and conditions of the governing benefit plans and policies and may be changed by the Company in its discretion.

4. Expenses. The Company will reimburse Executive for reasonable travel, entertainment or other expenses incurred by Executive in furtherance or in connection with the performance of Executive's duties hereunder, in accordance with the Company's expense reimbursement policy as in effect from time to time.

5. Equity. Upon approval by the Board, Executive shall be granted an option to purchase such number of shares of the Company's common stock as is equal to 1.09% of the Company's fully-diluted capitalization as of immediately following the Company's Series B Preferred Stock financing (the "***Option Award***") under and subject to the terms of the Company's 2014 Equity Incentive Plan, as amended (the "***Plan***"). The Option Award shall have an exercise price per share equal to the fair market value of the Company's common stock as of the date of grant, as determined in good faith by the Board. One-fourth (1/4th) of the shares subject to the Option Award shall vest on the first anniversary of the Effective Date and the balance of the shares shall vest in a series of thirty-six (36) successive equal monthly installments thereafter, subject to Executive's Continuous Service (as defined in the Plan) as of each such vesting date. The Company, in its sole discretion, may award Executive additional equity grants pursuant to the Company's equity incentive plans from time to time in its sole discretion.

6. Proprietary Information Obligations.

6.1 Proprietary Information Agreement. As a condition to employment, Executive agrees to execute, and will continue to abide by, the Company's standard Confidential Information and Invention Assignment Agreement attached hereto as **EXHIBIT A** (the "***Proprietary Agreement***").

6.2 Third-Party Agreements and Information. Executive represents and warrants that Executive's employment by the Company does not conflict with any prior employment or consulting agreement or other agreement with any third party, and that Executive will perform Executive's duties to the Company without violating any such agreement. Executive represents and warrants that Executive does not possess confidential information arising out of prior employment, consulting, or other third party relationships, that would be used in connection with

Executive's employment by the Company, except as expressly authorized by that third party. During Executive's employment by the Company, Executive will use in the performance of Executive's duties only information that is generally known and used by persons with training and experience comparable to Executive's own, common knowledge in the industry, otherwise legally in the public domain, or obtained or developed by the Company or by Executive in the course of Executive's work for the Company.

7. Outside Activities, Non-Competition and Non-Solicitation.

7.1 Outside Activities. Throughout Executive's employment with the Company, Executive may engage in civic and not-for-profit activities so long as such activities do not interfere with the performance of Executive's duties hereunder or present a conflict of interest with the Company or its affiliates. Subject to the restrictions set forth herein, and only with prior written disclosure to and consent of the Board, Executive may engage in other types of business or public activities (and, for the avoidance of doubt, the activities listed on **ANNEX I** attached hereto are deemed disclosed to, and consented by, the Board). The Board may rescind such consent, if the Board determines, in its sole discretion, that such activities compromise or threaten to compromise the Company's or its affiliates' business interests or conflict with Executive's duties to the Company or its affiliates.

7.2 Non-Competition During Employment. During Executive's employment by the Company, Executive will not, without the express written consent of the Board, directly or indirectly serve as an officer, director, stockholder, employee, partner, proprietor, investor, joint ventures, associate, representative or consultant of any person or entity engaged in, or planning or preparing to engage in, business activity competitive with any line of business engaged in (or planned to be engaged in) by the Company or its affiliates; provided, however, that Executive may purchase or otherwise acquire up to (but not more than) one percent (1%) of any class of securities of any enterprise (without participating in the activities of such enterprise) if such securities are listed on any national or regional securities exchange. In addition, Executive will be subject to certain restrictions (including restrictions continuing after Executive's employment ends) under the terms of the Proprietary Agreement.

7.3 Non-Solicitation. Executive agrees that during the period of employment with the Company and for twelve (12) months after the date Executive's employment is terminated for any reason, Executive will not, either directly or through others, solicit or encourage or attempt to solicit or encourage any employee, independent contractor, or consultant of the Company to terminate his or her relationship with the Company in order to become an employee, consultant or independent contractor to or for any other person or entity.

8. Termination of Employment.

8.1 At-Will Employment. Executive's employment relationship is at-will. Either Executive or the Company may terminate the employment relationship at any time, with or without cause or advance notice.

8.2 Termination and Change in Control Benefits. Executive shall be eligible to participate in the Company's Severance Benefit Plan attached hereto as **EXHIBIT B-1**, as may

be amended from time to time pursuant to its terms (the "***Severance Plan***"), and shall be eligible for the termination and change in control benefits as set forth in such Severance Plan and the Participation Agreement attached hereto as **EXHIBIT B-2**. Executive's eligibility and rights under the Severance Plan shall in all events be subject to the terms of such Severance Plan.

8.3 Section 409A. It is intended that all of the benefits and other payments payable under this Agreement satisfy, to the greatest extent possible, an exemption from the application of Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"), and the regulations and other guidance thereunder and any state law of similar effect (collectively "***Section 409A***"), and this Agreement will be construed to the greatest extent possible as consistent with those provisions, and to the extent not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A, and any ambiguities herein shall be interpreted accordingly.

8.4 Section 280G. If any payment or benefit Executive will or may receive from the Company or otherwise (a "***Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then such Payment will be equal to the Reduced Amount (defined below). The "***Reduced Amount***" will be either (1) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (2) the entire Payment, whichever amount after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate, net of the maximum reduction in federal income taxes which could be obtained from a deduction of such state and local taxes), results in Executive's receipt, on an after-tax basis, of the greatest amount of the Payment. If a reduction in the Payment is to be made so that the Payment equals the Reduced Amount, (x) the Payment will be paid only to the extent permitted under the Reduced Amount alternative, and the Executive will have no rights to any additional payments and/or benefits constituting the Payment, and (y) reduction in payments and/or benefits will occur in the following order: (1) reduction of cash payments; (2) cancellation of accelerated vesting of equity awards other than stock options; (3) cancellation of accelerated vesting of stock options; and (4) reduction of other benefits paid to Executive. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of Executive's equity awards. In no event will the Company or any stockholder be liable to Executive for any amounts not paid as a result of the operation of this Section. The professional firm engaged by the Company for general tax purposes as of the day prior to the effective date of the change in control will perform the foregoing calculations. If the tax firm so engaged by the Company is serving as accountant or auditor for the acquirer, the Company will appoint a nationally recognized tax firm to make the determinations required hereunder. The Company will bear all expenses with respect to the determinations by such firm required to be made hereunder. If the tax firm determines that no Excise Tax is payable with respect to a Payment, either before or after the application of the Reduced Amount, it will furnish the Company and Executive with documentation that no Excise Tax is reasonably likely to be imposed with respect to such Payment. Any good faith determinations of the tax firm made hereunder will be final, binding and conclusive upon the Company and Executive.

9. Dispute Resolution. To ensure the rapid and economical resolution of disputes that may arise in connection with Executive's employment with the Company, Executive and the

Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this Agreement, Executive's employment with the Company, or the termination of Executive's employment from the Company, will be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. §1-16, and to the fullest extent permitted by law, by final, binding and confidential arbitration conducted in San Diego, California by JAMS, Inc. ("***JAMS***") or its successors, under JAMS' then applicable rules and procedures for employment disputes (which can be found at http://www.jamsadr.com/rules-clauses/, and which will be provided to Executive on request); provided that the arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision including the arbitrator's essential findings and conclusions and a statement of the award. Executive and the Company shall be entitled to all rights and remedies that either would be entitled to pursue in a court of law. **Both Executive and the Company acknowledge that by agreeing to this arbitration procedure, they waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding**. The Company shall pay all filing fees in excess of those which would be required if the dispute were decided in a court of law, and shall pay the arbitrator's fee. Nothing in this Agreement is intended to prevent either the Company or Executive from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.

10. General Provisions.

10.1 Notices. Any notices provided must be in writing and will be deemed effective upon the earlier of personal delivery (including personal delivery by fax) or the next day after sending by overnight carrier, to the Company at its primary office location and to Executive at the address as listed on the Company payroll.

10.2 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction to the extent possible in keeping with the intent of the Parties.

10.3 Waiver. Any waiver of any breach of any provisions of this Agreement must be in writing to be effective, and it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

10.4 Complete Agreement. This Agreement, together with the Proprietary Agreement, constitutes the entire agreement between Executive and the Company with regard to the subject matter hereof and is the complete, final, and exclusive embodiment of the Company's and Executive's agreement with regard to this subject matter. This Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. This Agreement cannot be modified or amended except in a writing signed by a duly authorized officer of the Company, with the exception of those changes expressly reserved to the Company's discretion in this Agreement.

10.5 Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but both of which taken together will constitute one and the same Agreement.

10.6 Headings. The headings of the paragraphs hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

10.7 Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive and the Company, and their respective successors, assigns, heirs, executors and administrators, except that Executive may not assign any of Executive's duties hereunder and Executive may not assign any of Executive's rights hereunder without the written consent of the Company, which shall not be withheld unreasonably.

10.8 Tax Withholding. All payments and awards contemplated or made pursuant to this Agreement will be subject to withholdings of applicable taxes in compliance with all relevant laws and regulations of all appropriate government authorities. Executive acknowledges and agrees that the Company has neither made any assurances nor any guarantees concerning the tax treatment of any payments or awards contemplated by or made pursuant to this Agreement. Executive has had the opportunity to retain a tax and financial advisor and fully understands the tax and economic consequences of all payments and awards made pursuant to the Agreement.

10.9 Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of the State of California.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first written above.

RENEO PHARMACEUTICALS, INC.

By: /s/ Gregory J. Flesher
Gregory J. Flesher
President and Chief Executive Officer

EXECUTIVE

By: /s/ Michael Cruse
MICHAEL CRUSE

ANNEX I

Executive is providing transition consulting services to Novus Therapeutics, Inc, a clinical stage biotechnology company targeting the CD40L pathway to develop potential treatments for people undergoing organ or cellular transplantation, and for people with autoimmune and neurodegenerative disease. The transition services will be performed primarily after normal business hours and will not occur more frequently than three hours per week during normal business hours. The total time committed will not exceed 10 hours a week and will be completed by the end of February 2021.

EXHIBIT A

PROPRIETARY AGREEMENT

EXHIBIT B-1

SEVERANCE PLAN

EXHIBIT B-2

PARTICIPATION AGREEMENT

Exhibit 10.15

January 15, 2018

Deborah Tower
[...***...]

Re: Employment Terms

Dear Deborah:

RENEO PHARMACEUTICALS, INC. (the "***Company***") is pleased to offer you the position of Senior Director, Finance & Administration on the following terms.

You will be responsible for the duties that are normally associated with the position of Senior Director, Finance & Administration and will report to the Chief Operating Officer of the Company. You will work at the Company's corporate offices in San Diego. The Company may change your position, duties, and work location from time to time in its discretion.

Your base salary will be $180,000 on an annualized basis, less payroll deductions and withholdings, paid on the Company's normal payroll schedule. You will be eligible for an annual discretionary bonus, with a target amount of such bonus of twenty percent (20%) of your then current Base Salary (the "***Annual Bonus***")**.** Whether you receive an Annual Bonus for any given year, and the amount of such Annual Bonus, will be determined in the good faith discretion of the Company's Board of Directors (the "***Board***"), based upon the Company's and your achievement of objectives and milestones to be determined on an annual basis by the Board. No Annual Bonus is guaranteed and, in addition to the other conditions for earning such compensation, you must remain an employee in good standing for the Company on the scheduled Annual Bonus payment date in order to be eligible for any Annual Bonus.

During your employment, you will be eligible to participate in the standard benefits plans offered to similarly situated employees by the Company from time to time, subject to plan terms and generally applicable Company policies. A full description of these benefits is available upon request. The Company may change compensation and benefits from time to time in its discretion.

Subject to approval by the Company's Board, the Company anticipates granting you an option to purchase 105,074 shares of the Company's common stock at the fair market value as determined by the Board as of the date of grant (the "***Option***")**.** The anticipated Option will be governed by the terms and conditions of the Company's 2014 Equity Incentive Plan, as amended (the "***Plan***") and your grant agreement, and will include a four year vesting schedule, under which 25% of your Option will vest 12 months after the vesting commencement date, and 1/48th of the total shares will vest at the end of each month thereafter], until either the Option is fully vested or your continuous service (as defined in the Plan) terminates, whichever occurs first.

As a Company employee, you will be expected to abide by Company rules and policies. As a condition of employment, you must sign and comply with the attached Employee Confidential

Information and Inventions Assignment Agreement which prohibits unauthorized use or disclosure of the Company's proprietary information, among other obligations.

In your work for the Company, you will be expected not to use or disclose any confidential information, including trade secrets, of any former employer or other person to whom you have an obligation of confidentiality. Rather, you will be expected to use only that information which is generally known and used by persons with training and experience comparable to your own, which is common knowledge in the industry or otherwise legally in the public domain, or which is otherwise provided or developed by the Company. You agree that you will not bring onto Company premises any unpublished documents or property belonging to any former employer or other person to whom you have an obligation of confidentiality. You hereby represent that you have disclosed to the Company any contract you have signed that may restrict your activities on behalf of the Company.

Normal business hours are from 9:00 a.m. to 5:00 p.m., Monday through Friday. As an exempt salaried employee, you will be expected to work additional hours as required by the nature of your work assignments.

Your employment with the Company will be "at-will." You may terminate your employment with the Company at any time and for any reason whatsoever simply by notifying the Company. Likewise, the Company may terminate your employment at any time, with or without cause or advance notice. Your employment at-will status can only be modified in a written agreement signed by you and by an officer of the Company.

This offer is contingent upon a reference check and satisfactory proof of your right to work in the United States. You agree to assist as needed and to complete any documentation at the Company's request to meet these conditions.

To ensure the rapid and economical resolution of disputes that may arise in connection with your employment with the Company, you and the Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this Agreement, your employment with the Company, or the termination of your employment, shall be resolved, to the fullest extent permitted by law, by final, binding and confidential arbitration conducted by JAMS or its successor, under JAMS' then applicable rules and procedures for employment disputes (available upon request and also currently available at http://www.jamsadr.com/rules-employment-arbitration/). **You acknowledge that by agreeing to this arbitration procedure**, **both you and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding.** You will have the right to be represented by legal counsel at any arbitration proceeding. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The arbitrator shall be authorized to award all relief that you or the Company would be entitled to seek in a court of law. The Company shall pay all JAMS arbitration fees in excess of the administrative fees that you would be required to pay if the dispute were decided in a court of law. Nothing in this letter

agreement is intended to prevent either you or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.

This letter, together with your Employee Confidential Information and Inventions Assignment Agreement, forms the complete and exclusive statement of your employment agreement with the Company. It supersedes any other agreements or promises made to you by anyone, whether oral or written. Changes in your employment terms, other than those changes expressly reserved to the Company's discretion in this letter, require a written modification signed by an officer of the Company. If any provision of this offer letter agreement is determined to be invalid or unenforceable, in whole or in part, this determination shall not affect any other provision of this offer letter agreement and the provision in question shall be modified so as to be rendered enforceable in a manner consistent with the intent of the parties insofar as possible under applicable law. This letter may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

Please sign and date this letter, and the enclosed Employee Confidential Information and Inventions Assignment Agreement and return them to me by January 17, 2018, if you wish to accept employment at the Company under the terms described above. If you accept our offer, your starting date will be January 1, 2018.

We look forward to your favorable reply and to a productive and enjoyable work relationship.

Sincerely,

/s/ Wendy Johnson
Wendy Johnson, Chief Operating Officer

Understood and Accepted:

/s/ Deborah Tower	1/16/18
Deborah Tower	Date

Attachment: Employee Confidential Information and Inventions Assignment Agreement

Exhibit 10.16

RENEO PHARMACEUTICALS, INC.

February 12, 2018

Michael Grey
[...***...]

Re: Position as Executive Chairman of Reneo Pharmaceuticals, Inc.

Dear Mr. Grey:

This letter confirms, on behalf of Reneo Pharmaceuticals, Inc. (the "***Company***"), the terms on which you will continue to serve as Executive Chairman of the Company.

As Executive Chairman, you will work closely with the Company's Board of Directors (the "***Board***") and the executive team of the Company to further the goals and objectives of the Company, consistent with the usual and customary duties of an executive chairman.

As compensation for your service as Executive Chairman, you will be paid a fee of $200,000.00 per year (the "***Annual Fee***"), payable in equal monthly installments, and you will be eligible for an annual discretionary bonus, with a target equal to forty percent (40%) of your Annual Fee (the "***Annual Bonus***"). Whether you receive an Annual Bonus for any given year, and the amount of any such Annual Bonus, will be determined in the good faith discretion of the Board (or the Compensation Committee thereof), based upon the Company's and your achievement of objectives and milestones to be determined on an annual basis by the Board (or Compensation Committee thereof). No Annual Bonus is guaranteed and, in addition to the other conditions for earning such compensation, you must remain a service provider of the Company in good standing on the scheduled Annual Bonus payment date in order to be eligible for any Annual Bonus.

As additional compensation, on January 31, 2018, the Board approved, contingent and effective upon (i) receipt by the Company of a final 409A valuation report performed by an independent valuation firm and an affirmative determination by the Board of the fair market value of the Company's Common Stock (the "***Common Stock***") and (ii) you providing services to the Company at such time, the grant of an option to you to purchase 525,370 shares of Common Stock with an exercise price per share equal to the fair market value of a share of Common Stock on the date such grant becomes effective (the "***Grant***"). The Grant is governed by the terms and conditions of the Company's 2014 Equity Incentive Plan, as amended (the "***Plan***"), and your grant agreement, and includes a vesting schedule under which one-fourth (1/4th) of the shares subject to the Grant vest on the one year anniversary of January 1, 2018 and the balance of the shares vest in a series of thirty-six (36) successive equal monthly installments thereafter, subject to your Continuous Service (as defined in the Plan) as of each such date. In the event that you (i) are terminated by the Company without Cause (as defined in the Plan) or (ii) resign for Good Reason (as defined below), the vesting of the Grant shall be accelerated in full. "***Good Reason***" for your resignation means the occurrence of any of the following events, conditions or actions taken by the Company without Cause and without your consent: (i) a

material reduction of your Annual Fee, which is a reduction of at least ten percent (10%) of your Annual Fee; or (ii) a material reduction in your authority, duties or responsibilities; *provided* that if your principal place of providing services is your personal residence, this clause (iv) shall not apply; *provided, however*, that in each case above, in order for your resignation to be deemed to have been for Good Reason, you must first give the Company written notice of the action or omission giving rise to "Good Reason" within thirty (30) days after the first occurrence thereof; the Company must fail to reasonably cure such action or omission within thirty (30) days after receipt of such notice (the "***Cure Period***"), and your resignation must be effective not later than thirty (30) days after the expiration of such Cure Period.

The Company will also reimburse you for reasonable out-of-pocket expenses incurred in connection with your service as Executive Chairman in accordance with the Company's established reimbursement policies.

You agree to continue to abide by the terms and conditions of that certain Consultant Proprietary Information and Inventions Agreement between you and the Company dated December 20, 2017, as may be amended from time to time (the "***PIIA***"). You also represent to the Company that your service as Executive Chairman will not conflict with any other obligations that you have to third parties.

Either party may terminate this letter for convenience, for any or no reason, at any time upon ninety (90) days prior written notice to the other party.

This letter, along with the PIIA and the documentation reflecting the Grant referred to herein, constitute the entire agreement between you and the Company regarding the subject matter hereof. This letter supersedes any other agreements or promises made to you by anyone, whether oral or written, and it may only be modified in a writing signed by you and a duly authorized officer of the Company.

If the terms of this letter are acceptable to you, please sign and date this letter below and return it to me, retaining a copy for your records.

Very truly yours,

RENEO PHARMACEUTICALS, INC.

/s/ Niall O'Donnell
Niall O'Donnell, Ph.D.
President and Chief Executive Officer

Accepted and agreed:

/s/ Michael Grey
Michael Grey

Date: 02/12/2018

LICENSE AGREEMENT

**** CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE RENEO PHARMACEUTICALS, INC. HAS DETERMINED THE INFORMATION (I) IS NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO RENEO PHARMACEUTICALS, INC. IF PUBLICLY DISCLOSED.***

THIS LICENSE AGREEMENT (the "**Agreement**") is made and entered into as of December 21, 2017 (the "**Effective Date**") by and between **RENEO PHARMACEUTICALS, INC.**, a Delaware corporation ("**Reneo**"), having a place of business at 12730 High Bluff Drive, Suite 160, San Diego, CA 92130, USA, and **VTV THERAPEUTICS LLC**, a limited liability company organized under the laws of Delaware ("**vTv**"), with its principal place of business at 4170 Mendenhall Oaks Pkwy, High Point, NC 27265. Reneo and vTv are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**".

RECITALS

A. vTv controls certain intellectual property related to its PPAR program and, in particular, a proprietary compound designated as HPP593.

B. Reneo is a privately-held biotechnology company focused on developing treatments for genetic and rare diseases.

C. Reneo desires to acquire an exclusive worldwide license under vTv's intellectual property related to vTv's PPAR program or Compounds (as defined below) to develop, manufacture and commercialize Licensed Products (as defined below), and vTv is willing to grant such a license to Reneo, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises, covenants and conditions contained in this Agreement, the Parties agree as follows:

1. DEFINITIONS

Capitalized terms used in this Agreement (other than the headings of the Sections or Articles) have the following meanings set forth in this Article 1, or, if not listed in this Article 1, the meanings as designated in the text of this Agreement.

1.1 "Affiliate" means, with respect to a particular person, corporation, partnership, or other entity, a second person, corporation, partnership, or other entity that controls, is controlled by or is under common control with such first person, corporation, partnership, or other entity. For the purposes of the definition in this Section 1.1, the word "**control**" (including, with correlative meaning, the terms "**controlled by**" or "**under the common control with**") means the actual power, either directly or indirectly through one (1) or more intermediaries, to direct or cause the direction of the management and policies of such entity, whether by the ownership of more than fifty percent (50%) of the voting stock of such entity, or by contract or otherwise. Notwithstanding with foregoing, no member of the Sponsor Group shall be considered an Affiliate of vTv.

1.2 "CMC Activities" means the activities necessary or useful for generating the Information related to the chemistry, manufacturing and controls of any Compound or Licensed Product required for the Regulatory Approval of Licensed Products, as specified by the FDA or other applicable Regulatory Authority.

1.3 "Combination Product" means either: (a) any pharmaceutical product that consists of a Compound and at least one other active ingredient that is not a Compound; or (b) any combination of a Licensed Product and another pharmaceutical product that contains at least one other active ingredient that is not a Compound where such products are not formulated together but are sold together and invoiced as one product.

1.4 "Commercialize" means to promote, market, distribute, sell, offer for sale, contract to sell or import any compound or product. For clarity, **"Commercializing"** and **"Commercialization"** have a correlative meaning.

1.5 "Commercially Reasonable Efforts" means, with respect to Reneo's obligations under this Agreement, the carrying out of such obligations or tasks with a level of efforts and resources consistent with the commercially reasonable practices of a similarly situated company in the pharmaceutical industry for the research, development or commercialization of a similarly situated pharmaceutical product as the Licensed Product at a similar stage of development or commercialization, taking into account efficacy, safety, patent and regulatory exclusivity, anticipated or approved labeling, present and future market potential, competitive market conditions and the profitability of the Licensed Product in light of pricing and reimbursement issues. Commercially Reasonable Efforts shall be determined on a market-by-market and indication-by-indication basis, and it is anticipated that the level of efforts required shall be different for different markets and indications and shall change over time, reflecting changes in the status of the Licensed Product and markets involved.

1.6 "Compound" means: (a) any PPAR delta agonist Controlled by vTv, or any Affiliate it controls (within the meaning of Section 1.1), as of the Effective Date, including HPP593; (b) any PPAR delta agonist Covered by the Patents listed on Exhibit 1.50 as of the Effective Date (or any counterparts, continuations, continuations in part, divisionals, substitute applications, provisionals, patents issued or granted on any such patent applications, extensions (including supplementary protection certificates), reissues, reexaminations, registrations or confirmations of the Patents listed on Exhibit 1.50 as of the Effective Date, and foreign counterparts of any of the foregoing, whether existing on the Effective Date or filed or issued thereafter, but in each case solely to the extent such claims are entitled to claim priority to the Patents listed on Exhibit 1.50 as of the Effective Date); or (c) any pharmacologically active derivatives of any of the foregoing, including isomers, esters, salts, hydrates, anhydrous forms and other solvates and polymorphs of such compounds; in each case ((a) through (c)), in any dosage strength or formulation.

1.7 "Confidential Information" of a Party means any and all Information of such Party or any of its Affiliates that is disclosed or made available to the other Party or any of its Affiliates under this Agreement, whether in oral, written, graphic, or electronic form.

1.8 "Controlled" means, with respect to a Party, or any Affiliate that it controls (within the meaning of Section 1.1), as applicable, and any compound, material, Information or intellectual property right, that such Party or any such controlled Affiliates(s), as applicable, has the legal authority or right (whether by ownership, license or otherwise (including by way of any license or other rights received from any Sublicensee) but without taking into account any rights granted by one Party to the other Party pursuant to this Agreement) to grant to the other Party access, a license or a sublicense (as applicable) to such compound, material, Information or intellectual property right as provided for herein without violating the terms of any agreement or other arrangements with any Third Party existing at the time such Party or any such Affiliate(s), as applicable, would be first required hereunder to grant the other Party such access, license or sublicense.

1.9 "Cover" means, with respect to a product, composition, technology, process or method and a Patent, that, in the absence of ownership of, or a license granted under, a claim in such Patent, the manufacture, use, offer for sale, sale or importation of such product or composition or the practice of such technology, process or method would infringe such claim (or, in the case of a claim of a pending patent application, would infringe such claim if it were to issue as a claim of an issued patent).

1.10 "Develop" or **"Development"** means, with respect to any compound or product, all activities relating to preparing and conducting non-clinical studies and other analyses, clinical studies, and regulatory activities (*e.g.*, preparation and submission of regulatory applications) that are necessary or useful to obtain or maintain Regulatory Approval of any Licensed Product, excluding the CMC Activities and the Manufacture of any Compound or Licensed Product.

1.11 "Dollars" or **"$"** means the legal tender of the U.S.

1.12 "EMA" means the European Medicines Agency or any successor entity.

1.13 "EU" means the European Union, as its membership may be altered from time to time, and any successor thereto. Notwithstanding the foregoing, the EU shall include the United Kingdom and each country within the United Kingdom for purposes of this definition regardless of whether such country officially exits the EU during the Term.

1.14 "Executive Officers" means the Chief Executive Officer of Reneo and the Chief Executive Officer of vTv, or such other person (of similar seniority within Reneo or vTv) designated by Reneo or vTv from time to time.

1.15 "FDA" means the United States Food and Drug Administration, and any successor thereto.

1.16 "Field" means any therapeutic, prophylactic or diagnostic application in humans.

1.17 "First Commercial Sale" means, with respect to a Licensed Product in a particular country, the first sale of such Licensed Product by a Selling Party to a Third Party for end use or consumption in such country.

1.18 "GAAP" means, as applicable, (a) generally accepted accounting principles in the U.S. or internationally, as applicable, or (b) the international financial reporting standards if a Party

uses the international financial reporting standards, in each case ((a) and (b)) consistently applied and as they exist from time to time.

1.19 "Governmental Authority" means any multi-national, federal, state, local, municipal, provincial or other government authority of any nature (including any governmental division, prefecture, subdivision, department, agency, bureau, branch, office, commission, council, court or other tribunal).

1.20 "Indication" means any disease or condition which could be listed under the header "INDICATIONS AND USAGE" or described under the header "CLINICAL STUDIES" of a Licensed Product's label upon Regulatory Approval in the United States, or equivalent thereof.

1.21 "Initiation" of a clinical trial means the first dosing of the first subject enrolled in such clinical trial.

1.22 "Information" means all tangible and intangible techniques, technology, practices, trade secrets, inventions (whether patentable or not), processes, formulations, compounds, products, biological materials, cell lines, samples of assay components, media, designs, formulas, ideas, programs, software models, algorithms, developments, experimental works, protocols, methods, knowledge, know-how, skill, experience, data and results (including pharmacological, toxicological and chemical and clinical data and results), compilations of data, other works of analytical and quality control data, specifications, methods, results, descriptions, compositions of matter, regulatory submissions, minutes, correspondence strategy, medical uses, adverse reactions and manufacture and quality control methods.

1.23 "Knowledge" means, with respect to a Party, the good faith understanding of the facts and information in the possession of an officer of such Party, or any in-house legal counsel of, or in-house patent agents employed by, such Party or its Affiliates, without any duty to conduct any additional investigation with respect to such facts and information by reason of the execution of this Agreement. For purposes of this definition, an **"officer"** means any person in the position of vice president, senior vice president, president or chief executive officer of a Party.

1.24 "Laws" means all laws, statutes, rules, regulations, ordinances and other pronouncements having the effect of law of any federal, national, multinational, state, provincial, county, city or other political subdivision, domestic or foreign.

1.25 "Licensed Product" means any pharmaceutical product in any dosage strength or formulation containing a Compound, either alone or in combination with other agents.

1.26 "Loan Agreement" means the Venture Loan and Security Agreement dated October 28, 2016, by and among vTv, Silicon Valley Bank and Horizon Technology Finance Corporation in effect as of the Effective Date, as the same is amended from time to time during the Term.

1.27 "Manufacturing" means all activities related to the manufacture, formulation, processing, filling, finishing, packaging, labeling, inspection or receiving of any compound or product, including holding and shipping of any compound, product, or any raw materials or packaging materials with respect thereto, or any intermediate of any of the foregoing, and including

process and cost optimization, process development, qualification and validation, equipment and facility qualification, validation, commercial manufacture, stability and release testing, quality assurance and quality control, and CMC Activities. For clarity, **"Manufacture"** has a correlative meaning.

1.28 "Marketing Authorization Application" or "**MAA**" means: (a) in the United States, a New Drug Application (as defined in Title 21, Section 314.50 et seq. of the U.S. Code of Federal Regulations or any successor regulations), including any amendment or supplement thereto, and (b) in any other country or regulatory jurisdiction, an application for regulatory approval required for marketing or sale of a Licensed Product in such country or regulatory jurisdiction, including any amendment or supplement thereto.

1.29 "Net Sales" means, with respect to a given period of time, the gross amount invoiced by Reneo or any of its Affiliates or Sublicensees (each, a **"Selling Party"**) to any Third Party (other than another Selling Party, unless such Selling Party is the end user of the applicable Licensed Product) for the sale or distribution to such Third Party of any Licensed Product, less the following deductions and offsets that are actually incurred, allowed, accrued, paid or taken and are allocated with respect to such sale or distribution, but solely to the extent that such deductions or offsets are not otherwise recovered by or reimbursed to any Selling Party:

(a) trade, cash and quantity discounts, allowances and credits based on the invoiced price or net price to Third Party purchasers, including cash coupons, inventory management fees and retroactive price reductions;

(b) credits, refunds or allowances actually granted for damaged or expired Licensed Product, returns or rejections of Licensed Product, recalls, reserve for returns, price adjustments and billing errors, in each case not in excess of the selling price of Licensed Product;

(c) rebates, chargebacks and discounts (or equivalents thereof), based on the invoiced price or net price to Third Party purchasers, granted to managed health care organizations, commercial insurance companies, pharmacy benefit managers (or equivalents thereof), distributors, federal, state/provincial, local and other governments, their agencies and purchasers and reimbursers, or to trade customers;

(d) transportation costs, including insurance, for outbound freight related to delivery or distribution of Licensed Product;

(e) bad debts and uncollectible amounts relating to the sale of Licensed Product that are actually written off; and

(f) sales taxes, duties and other governmental charges (including value added tax, but solely to the extent not otherwise creditable or reimbursed) imposed upon and paid with respect to the sale, transportation, delivery, use, exportation, or importation of Licensed Product (but excluding what is commonly known as income taxes and taxes or charges required by U.S. Federal or state Medicaid, Medicare or similar state program or equivalent foreign governmental program).

Such amounts shall be determined in accordance with GAAP.

The sale of any Licensed Product by a Selling Party to another Selling Party for resale by such Selling Party to a Third Party (other than a Selling Party) shall not be deemed a sale for purposes of this definition of "Net Sales," *provided* that the subsequent resale is included in the computation of Net Sales. Further, transfers or dispositions of Licensed Products as [***], consistent with prevailing industry standards, and Licensed Products provided [***] shall be disregarded in determining Net Sales.

If any discounts or other deductions or rebates are made in connection with sales of a Licensed Product that is bundled or sold together with other products of the Selling Parties, then the discount, deduction or rebate applied to the Licensed Product shall not exceed the discount, deduction or rebate applied to any of the other products of the Selling Parties in such arrangement based upon the respective list prices of the Licensed Product and such other products prior to applying the discount, *unless* Reneo provides evidence reasonably satisfactory to vTv that such difference is commercially reasonable and does not unfairly prejudice the Licensed Product in favor of such other products.

For any Licensed Product which is sold as a Combination Product, the Net Sales for such Combination Product shall be adjusted by multiplying the actual Net Sales of such Combination Product by the fraction A/(A+B) where A is [***], and B is [***]. If the other product(s) or product component(s) is(are) not sold separately, then the actual Net Sales of such Combination Product shall be adjusted by multiplying the actual Net Sales of such Combination Product by the fraction A/C where A is [***], and C is [***]. If neither the Compound nor the other active product(s) or product component(s) of the Combination Product are sold separately in the applicable country, then Reneo shall determine the Net Sales of the Combination Product in good faith based on the respective values of the components of such Combination Product, subject to agreement by vTv, not to be unreasonably withheld, conditioned or delayed.

1.30 "Patent" means all: (a) letters patent (including inventor's certificates), including any substitution, extension, registration, confirmation, validation, reissue, re-examination, supplementary protection certificates, confirmation patents, patent of additions, renewal or any like filing thereof; (b) pending applications for letters patent (including applications for inventor's certificates), including any continuation, division or continuation-in-part thereof and any provisional applications; and (c) any United States and international counterparts to any of (a) and (b) above.

1.31 "Phase 2 Clinical Trial" means a study of a Licensed Product in the Field in human patients designed or intended to determine initial efficacy, pharmacological effect or dose range or regimen, as further defined in 21 C.F.R. 312.21(b), or the corresponding regulations in any jurisdiction or country other than the United States, or any amended or successor regulations, to permit the design of further clinical trials.

1.32 "Phase 3 Clinical Trial" means a pivotal study in the Field in human patients with a defined dose or a set of defined doses of a Licensed Product designed or intended to ascertain efficacy and safety of such Licensed Product for the purpose of enabling the preparation and submission of a Marketing Authorization Application to the competent Regulatory Authority in a country of the Territory, as further defined in 21 C.F.R. 312.21(c), or the corresponding regulations in any jurisdiction or country other than the United States, or any amended or successor regulations.

1.33 "PPAR" means peroxisome proliferation activated receptor.

1.34 "Regulatory Approval" means any and all approvals (including supplements, amendments, and pre- and post-approvals), licenses, registrations or authorizations (or waivers) of any national, supra-national (e.g., the European Commission or the Council of the EU), regional, state or local regulatory agency, department, bureau, commission, council or other governmental entity, that are necessary for the manufacture, distribution, use, import, transport, promotion, marketing, offer for sale or sale of a product in a regulatory jurisdiction; but excluding any pricing and reimbursement approval.

1.35 "Regulatory Authority" means the applicable national (e.g., the FDA), supra-national (e.g., the European Commission or the Council of the EU), regional, state or local regulatory agency, department, bureau, commission, council or other Governmental Authority that, in each case, regulates or governs the Development of a Compound or Licensed Product or the granting of Regulatory Approval of a Licensed Product in a regulatory jurisdiction.

1.36 "Regulatory Exclusivity" means any exclusive marketing rights or data exclusivity rights granted by a Regulatory Authority (other than Patents) with respect to a Licensed Product sold in a given country, including orphan drug exclusivity, new chemical entity exclusivity, data exclusivity or pediatric exclusivity.

1.37 "Regulatory Materials" means applications, submissions, notifications, registrations, Regulatory Approvals or other filings made to or with, or other approvals granted by, a Regulatory Authority that are necessary or reasonably desirable in order to Develop, Manufacture, use, market, sell or otherwise Commercialize a Licensed Product in a particular country or regulatory jurisdiction.

1.38 "Reneo Know-How" means all Information Controlled by Reneo, or any Affiliate it controls (within the meaning of Section 1.1), in each case as of the effective date of any termination of this Agreement (but not expiration of this Agreement), that is necessary to Develop, Manufacture or Commercialize any Compound or any Licensed Product; *provided, however*, that "Reneo Know-How" excludes Information Controlled by Reneo or any such controlled Affiliates to the extent relating to any compound, other than a Compound, that may be included in a Licensed Product that is a Combination Product or the Development, Manufacture or Commercialization of such other compounds.

1.39 "Reneo Patents" means (a) any Patents Controlled by Reneo, or any Affiliate it controls (within the meaning of Section 1.1), in each case as of the effective date of any termination of this Agreement (but not expiration of this Agreement), that Cover any Compound or any Licensed Product or any Reneo Know-How, including Reneo's interest in any Patents that Cover any Compound or any Licensed Product or any Reneo Know-How and are jointly owned by Reneo or any such controlled Affiliates, on the one hand, and vTv or any Affiliate it controls (within the meaning of Section 1.1), on the other hand, and (b) any counterparts, continuations, continuations in part, divisionals, substitute applications, provisionals, patents issued or granted on any such patent applications, extensions (including supplementary protection certificates), reissues, reexaminations, registrations or confirmations of the foregoing, and foreign counterparts of any of the foregoing, whether existing on the effective date of such termination of this Agreement or filed

or issued thereafter, but in each case solely to the extent such claims are entitled to claim priority to any Patent described in clause (a); *provided, however*, that "Reneo Patents" excludes Patents Controlled by Reneo or any such controlled Affiliates to the extent relating to any compound, other than a Compound, that may be included in a Licensed Product that is a Combination Product or the Development, Manufacture or Commercialization of such other compounds.

1.40 "Reneo Technology" means the Reneo Know-How and Reneo Patents.

1.41 "SEC" means the U.S. Securities and Exchange Commission, and any successor thereto.

1.42 "Securities Act" means the Securities Act of 1933, as amended.

1.43 "Sponsor Group" means (a) M&F Worldwide Corp., (b) MacAndrews & Forbes Holdings Inc., (c) each of M&F Worldwide Corp.'s and MacAndrews & Forbes Holdings Inc.'s Affiliates, excluding vTv and its direct and indirect subsidiaries, (d) Ronald O. Perelman and (e) any of the directors or executive officers of MacAndrews & Forbes Holdings Inc.

1.44 "Sublicensee" means a Third Party that is granted a sublicense under any of the vTv Technology to Develop or Commercialize any Compound or Licensed Product in the Territory, beyond the mere right to purchase the Licensed Product from or to provide services on behalf of Reneo and its Affiliates. In no event shall vTv or any of its Affiliates be deemed a Sublicensee.

1.45 "Territory" means all countries in the world.

1.46 "Third Party" means any person or entity other than: (a) Reneo; (b) vTv; or (c) an Affiliate of either Party.

1.47 "U.S." or **"United States"** means the United States of America, including all possessions and territories thereof.

1.48 "Valid Claim" means (a) a claim in an issued Patent that has not: (i) expired or been canceled; (ii) been declared invalid by an unreversed and unappealable or unappealed decision of a court or other appropriate body of competent jurisdiction; (iii) been admitted to be invalid or unenforceable through reissue, disclaimer or otherwise; or (iv) been abandoned in accordance with or as permitted by the terms of this Agreement or by mutual written agreement of the Parties or (b) a claim of any patent application that has not been cancelled, withdrawn, abandoned or finally rejected by an administrative agency action from which no appeal can be taken; *provided* that any such claim in any pending patent application has not been pending for more than [***] years from the filing date of the earliest patent application from which such claim derives priority; and *provided, further*, that, if any such claim issues after the end of such [***] year period, it will upon such issuance again be a Valid Claim subject to clause (a) above.

1.49 "vTv Know-How" means all Information Controlled by vTv, or any Affiliate it controls (within the meaning of Section 1.1), as of the Effective Date or during the Term that is necessary to Develop, Manufacture or Commercialize any Compound or any Licensed Product, including all Information contained or embodied in all documents and materials listed on

Exhibit 1.49; *provided, however*, that "vTv Know-How" excludes Information Controlled by vTv or any such controlled Affiliates to the extent relating to any compound, other than a Compound, that may be included in a Licensed Product that is a Combination Product or the Development, Manufacture or Commercialization of such other compounds.

1.50 "vTv Patents" means (a) any Patents Controlled by vTv, or any Affiliate it controls (within the meaning of Section 1.1), as of the Effective Date or during the Term that Cover any Compound or any Licensed Product or any vTv Know-How, including (i) those Patents listed on Exhibit 1.50 and (ii) vTv's interest in any Patents that Cover any Compound or any Licensed Product or any vTv Know-How and are jointly owned by vTv or any such controlled Affiliates, on the one hand, and Reneo or any Affiliates it controls (within the meaning of Section 1.1), on the other hand, and (b) any counterparts, continuations, continuations in part, divisionals, substitute applications, provisionals, patents issued or granted on any such patent applications, extensions (including supplementary protection certificates), reissues, reexaminations, registrations or confirmations of the foregoing, and foreign counterparts of any of the foregoing, whether existing on the Effective Date or filed or issued thereafter, but in each case solely to the extent such claims are entitled to claim priority to any Patent described in clause (a); *provided, however*, that "vTv Patents" excludes Patents Controlled by vTv or any such controlled Affiliates to the extent relating to any compound, other than a Compound, that may be included in a Licensed Product that is a Combination Product or the Development, Manufacture or Commercialization of such other compounds. Exhibit 1.50 may be updated from time-to-time during the Term upon the mutual written agreement of the Parties.

1.51 "vTv Technology" means the vTv Know-How and vTv Patents.

1.52 Additional Definitions. Each of the following definitions is set forth in the section of the Agreement indicated below:

Definition	Section
"Acquirer Program"	2.3(c)
"[***]"	3.2(b)
"Agreement"	Preamble
"Alliance Manager"	4.1
"Charter"	8.2(a)(iii)
"Claims"	9.1(a)
"[***]"	2.3(b)
"Competitive Infringement"	5.3(a)
"Development Plan"	4.4
"Effective Date"	Preamble
"Equity Securities"	3.2(b)
"[***]"	3.2(b)
"First Indication"	3.3(a)
"Fully Diluted Shares"	3.2(b)
"[***]"	3.3(a)
"ICC"	10.3

"Indemnified Party"	9.1(c)
"Indemnifying Party"	9.1(c)
"[***]"	3.2(a)
"[***]"	3.2(a)
"Party" and "Parties"	Preamble
"Pre-Existing Affiliates"	11.4(b)
"Prior CDA"	6.7
"Product Marks"	4.7
"Reneo"	Preamble
"Reneo Indemnitees"	9.1(b)
"Royalty Term"	3.5(b)
"Sale Transaction"	11.4(b)
"Second Indication"	3.3(b)
"Selling Party"	1.29
"Shares"	3.2(b)
"Sublicensing Revenues"	3.6
"Table 3.3(a)	3.3(a)
"Table 3.3(b)"	3.3(b)
"Term"	7.1
"Third Party Acquirer"	11.4(b)
"Third Party License"	3.5(e)(ii)
"US First Approval"	3.3(a)
"US Second Approval"	3.3(b)
"vTv"	Preamble
"vTv Indemnitees"	9.1(a)

2. LICENSES AND RELATED RIGHTS

2.1 License Grant. Subject to the terms and conditions of this Agreement, vTv hereby grants Reneo during the Term an exclusive (even as to vTv and its Affiliates), royalty-bearing license, with the right to sublicense through multiple tiers as provided in Section 2.2, under the vTv Technology to Develop, Manufacture, have Manufactured, seek Regulatory Approval for, use, sell, offer to sell, import and otherwise Commercialize Compounds and Licensed Products in the Field in the Territory.

2.2 Sublicensing; Subcontracting. Reneo shall have the right to grant sublicenses of the license granted to it under Section 2.1, through multiple tiers of sublicense, or subcontract its activities with respect to any Compound or Licensed Product, to its Affiliates, contractors and any other Third Party, *provided* that: (a) Reneo shall remain responsible for the compliance with this Agreement by any such Affiliate, Sublicensee or subcontractor; (b) each such sublicense or subcontract agreement shall be consistent with the terms and conditions of this Agreement; and (c) Reneo shall use Commercially Reasonable Efforts to obtain the written agreement of each Sublicensee to grant Reneo Control of applicable rights as necessary to enable Reneo to grant to vTv the scope of rights set forth in Section 7.7, provided that the foregoing shall not be construed to limit the rights of Sublicensees under Section 7.6(b)(ii). Reneo shall provide vTv with a copy

of each sublicense agreement entered into with each Sublicensee, and each amendment thereto, within thirty (30) days of its execution (*provided* that Reneo may redact any confidential information contained therein that is not necessary to ensure compliance with this Agreement).

2.3 Negative Covenants.

(a) Reneo covenants that it will not and will not permit any of its Affiliates, Sublicensees or subcontractors to use or practice any vTv Technology outside the scope of the license granted under Section 2.1.

(b) vTv covenants that it will not and will not permit any of its Affiliates to, and it and its Affiliates will not grant the right to or assist or collaborate with any Third Party (including any member of the Sponsor Group) to, directly or indirectly, [***].

(c) If, during the Term, vTv or any of its Affiliates is acquired by a Third Party (whether such acquisition occurs by way of a purchase of assets, merger, consolidation, change of control or otherwise), then, notwithstanding anything to the contrary in Section 2.3(b), neither the acquiring Third Party nor any of such Third Party's Pre-Existing Affiliate(s), shall be prohibited from [***] (any such activities, an "**Acquirer Program**"), and such Acquirer Program will not constitute a violation of Section 2.3(b); *provided* that (i) no vTv Technology, Reneo Technology or other Confidential Information of Reneo is used in such Acquirer Program and (ii) the acquiring Third Party shall establish reasonable internal safeguards designed to prevent any use of vTv Technology, Reneo Technology or other Confidential Information of Reneo in such Acquirer Program.

2.4 No Implied Licenses. Except as explicitly set forth in this Agreement, neither Party shall be deemed by estoppel, implication or otherwise to have granted the other Party any license or other right to any intellectual property of such Party.

3. COMPENSATION

3.1 Upfront Payment. Reneo shall pay vTv a one-time, non-refundable and non-creditable upfront cash payment of three million Dollars ($3,000,000), which shall be paid within two (2) business days after the Effective Date.

3.2 Equity Consideration.

(a) [***]. Upon the Effective Date, in partial consideration of the rights granted hereunder, Reneo shall issue to vTv [***] shares of Reneo's Common Stock (the "**[***]**") pursuant to the terms of the stock purchase agreement attached hereto as Exhibit 3.2(a) (the "**[***]**").

(b) [***]. [***]. To the extent Reneo has granted or in the future grants any registration rights to one or more stockholders, Reneo will grant vTv a comparable right to register all Shares and [***], subject to customary exceptions (which obligation may be satisfied by providing such rights in the context of an investor rights agreement or similar agreement pursuant to which vTv and such other stockholders are granted such rights on a collective (*i.e.*, not on an individual basis)). [***].

(c) Stock Agreement. As a condition precedent to the effectiveness of this Agreement, the Parties shall have duly authorized, executed and delivered the [***] Stock Purchase Agreement and performed their respective obligations that are required to be performed thereunder. In addition, Reneo's obligation to [***] is subject to and conditioned upon [***].

3.3 Development Milestone Payments.

(a) First Indication. Reneo shall make each of the non-refundable and non-creditable development milestone payments set forth in the table below in this Section 3.3(a) ("**Table 3.3(a)**") to vTv within thirty (30) days after the first achievement (whether by or on behalf of Reneo or any of its Affiliates or, subject to Section 3.6, Sublicensees) of the corresponding milestone event set forth in Table 3.3(a) by the first Licensed Product to achieve such milestone event. The Indication in which each milestone event in Table 3.3(a) is first achieved by any Licensed Product is referred to herein as the "**First Indication**"; *provided, however,* that the Indication constituting the "First Indication" in which a given milestone event in Table 3.3(a) is achieved may be the same as or different from the Indication constituting the "First Indication" in which any other milestone event in Table 3.3(a) is achieved. Each milestone payment set forth in Table 3.3(a) shall be paid only once during the Term, for the first time any Licensed Product reaches such milestone event for the First Indication in which such milestone event is achieved, and regardless of the number of Licensed Products that achieve such milestone event, the number of times such milestone event is achieved by any Licensed Product, or the number of additional Indications in which such milestone event is subsequently achieved. For clarification, the total milestone payments payable under this Section 3.3(a) if all milestone events in Table 3.3(a) are achieved is [***].

Milestone Event	Milestone Payment
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

(b) Second Indication. Reneo shall make each of the non-refundable and non-creditable development milestone payments set forth in the table below in this Section 3.3(b) ("**Table 3.3(b)**") to vTv within thirty (30) days after the first achievement (whether by or on behalf of Reneo or any of its Affiliates or, subject to Section 3.6, Sublicensees) of the corresponding milestone event set forth in Table 3.3(b) by the first Licensed Product to achieve such milestone event for the second Indication (*i.e.*, the first additional Indication other than the First Indication for which the milestone payment for the corresponding milestone event in Table 3.3(a) was paid). The Indication in which each milestone event in Table 3.3(b) is first achieved by any Licensed Product, after achievement of the corresponding milestone event in Table 3.3(a) in the First Indication is referred to herein as the "**Second Indication**"; *provided, however,* that the Indication

constituting the "Second Indication" in which a given milestone event in Table 3.3(b) is achieved may be the same as or different from the Indication constituting the "Second Indication" in which any other milestone event in Table 3.3(b) is achieved. Each milestone payment set forth in Table 3.3(b) shall be paid only once during the Term, for the first time any Licensed Product reaches such milestone event for the Second Indication in which such milestone event is achieved, regardless of the number of Licensed Products that achieve such milestone event, the number of times such milestone event is achieved by any Licensed Product, or the number of additional Indications in which such milestone event is subsequently achieved. For clarification, the total milestone payments payable under this Section 3.3(b) if all milestone events in Table 3.3(b) are achieved for a Second Indication is [***].

Milestone Event	Milestone Payment
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

(c) [***].

3.4 Sales Milestone Payments. Reneo shall make each of the following one-time, non-refundable and non-creditable sales milestone payments to vTv within [***] days after the end of the [***] in which aggregate annual Net Sales of all Licensed Products in the Territory first reach the thresholds specified below. Reneo shall notify vTv promptly of the achievement of each such sales threshold. If more than one sales threshold is reached in any given calendar year, then the applicable milestone payment for each such achievement shall be due and owing with respect to such calendar year.

Threshold for Aggregate Annual Worldwide Net Sales	Milestone Payment
[***]	[***]
[***]	[***]
[***]	[***]

3.5 Royalty Payments.

(a) Royalty Rates. Reneo shall pay to vTv non-refundable, non-creditable royalties on aggregate annual Net Sales of each Licensed Product in the Territory in each calendar year at the applicable rate(s) set forth below, with such royalties to be calculated by multiplying the applicable incremental amount of Net Sales of such Licensed Product in the Territory in a

calendar year by the corresponding royalty rate set forth in the table below and by subsequently making the applicable adjustments in accordance with Section 3.5(e) below:

Annual Net Sales of Licensed Product	Royalty Rate
For that portion of annual Net Sales less than or equal to [***]	[***]
For that portion of annual Net Sales greater than [***] and less than or equal to [***]	[***]
For that portion of annual Net Sales greater than [***] and less than or equal to [***]	[***]
For that portion of annual Net Sales greater than [***]	[***]

(b) Royalty Term. Royalties under this Section 3.5 shall be payable on a Licensed Product-by-Licensed Product and country-by-country basis in the Territory during the period commencing on the First Commercial Sale of such Licensed Product in such country and continuing until the latest of (i) expiration of the last-to-expire Valid Claim of the vTv Patents in the country of sale Covering such Licensed Product or the Compound contained therein, or the manufacture or use of such Licensed Product or Compound contained therein; (ii) expiration of any Regulatory Exclusivity for such Licensed Product in such country; and (iii) the [***] anniversary of the First Commercial Sale of such Licensed Product in such country (the "**Royalty Term**"). Upon expiration of the Royalty Term for any Licensed Product in a given country, the licenses granted to Reneo under Section 2.1 with respect to such Licensed Product in such country shall automatically become fully paid-up, perpetual and royalty-free and shall survive any expiration or termination of this Agreement, and Net Sales of such Licensed Product in such country shall thereafter be excluded from aggregate annual Net Sales of such Licensed Product for purposes of calculating royalties pursuant to Section 3.5(a).

(c) Royalty Reports and Payments. Within [***] days following the end of each calendar quarter following the First Commercial Sale of any Licensed Product anywhere in the Territory, Reneo shall provide vTv with a report containing the following information for the applicable calendar quarter, on a Licensed Product-by-Licensed Product and country-by-country basis: (i) gross sales and Net Sales of such Licensed Product in such country (including reasonable details regarding each deduction set forth in Sections 1.29 [***] taken by Reneo or its applicable Affiliate(s) or Sublicensee(s)); (ii) the basis for any adjustments to royalties due to vTv on account of Net Sales of such Licensed Product in such country; (iii) a calculation of the royalty payment due to vTv on account of Net Sales of such Licensed Product in such country; and (iv) the exchange rate used in calculating any of the foregoing. Concurrent with the delivery of the applicable quarterly report, Reneo shall pay the royalty payment due to vTv pursuant to this Section 3.5 for such calendar quarter.

(d) Existing Third Party Payment Obligations. vTv shall be responsible for any payments to any Third Parties for Patents or Information licensed or acquired by vTv prior to the Effective Date, which are included in the vTv Technology.

(e) Royalty Adjustments.

(i) During any part of the Royalty Term for a Licensed Product in a country in which there is no Valid Claim of the vTv Patents Covering such Licensed Product or the Compound contained therein, or the manufacture or use of such Licensed Product or Compound contained therein, in such country, but there is Regulatory Exclusivity for such Licensed Product in such country, the royalty payable with respect to Net Sales of such Licensed Product in such country shall be reduced by [***]. During any part of the Royalty Term for a Licensed Product in a country in which (A) there is no Valid Claim of the vTv Patents Covering such Licensed Product or the Compound contained therein, or the manufacture or use of such Licensed Product or Compound contained therein, in such country, and (B) there is no Regulatory Exclusivity for such Licensed Product in such country, the royalty payable with respect to Net Sales of such Licensed Product in such country shall be reduced by [***]. The foregoing reductions will be calculated by determining the portion of total Net Sales of the relevant Licensed Product in a calendar quarter that is attributable to the country in which such reduction applies, and determining the total royalties for such Licensed Product without reduction, and then reducing by [***] or [***], as applicable, the applicable portion (based on Net Sales of such Licensed Product in such country as a percentage of total Net Sales of such Licensed Product) of total royalties attributable to such Licensed Product in such country.

(ii) If Reneo or any of its Affiliates or Sublicensees, as applicable, determines, in its reasonable judgment, that it is necessary to obtain a license from any Third Party (each a "**Third Party License**") under any Patents in order to manufacture, use, sell, offer for sale or import a Licensed Product in a country, then Reneo may deduct [***] of any royalty amount (or comparable payment based on sales of Licensed Product) paid by Reneo or its Affiliate or Sublicensee in any calendar quarter to such Third Party with respect to sales of such Licensed Product in such country under such Third Party License from the royalty payment that would otherwise be due with respect to Net Sales of such Licensed Product in such country in such calendar quarter pursuant to Section 3.5(a); *provided, however*, that in no event shall any royalty payment to vTv on Net Sales of any Licensed Product in any country in any calendar quarter be reduced to less than [***] of the royalties that would otherwise be owed to vTv with respect to Net Sales of such Licensed Product under Section 3.5(a). Any amount of royalties paid to such Third Party which is entitled to be deducted under this Section 3.5(e)(ii) but is not deducted as a result of the foregoing limitation shall be carried over and applied against royalties payable to vTv in respect of such Licensed Product in such country in subsequent calendar quarters until the full deduction is taken.

3.6 Sublicensing Revenues. If Reneo grants to a Third Party a sublicense under any of the vTv Technology to Develop, Manufacture or Commercialize a Licensed Product in the Territory, beyond the mere right to purchase such Licensed Product from or to provide services on behalf of Reneo and its Affiliates, Reneo would pay to vTv: (a) the royalties payable pursuant to Section 3.5 on Net Sales of Licensed Products by such Sublicensee; and (b) a percentage of Sublicensing Revenues received by Reneo or its Affiliates from such Sublicensee in consideration

for such sublicense as follows: (i) [***], if such sublicense is first entered into prior to [***]; and (ii) [***], if such sublicense is first entered into on or after [***]. Notwithstanding the foregoing, in the event that Reneo or its Affiliate receives Sublicensing Revenues for the achievement of a milestone event set forth in Section 3.3 or 3.4, Reneo shall pay vTv the greater of (A) [***]; or (B) [***], but not both. For the purposes of this Section 3.6, "**Sublicensing Revenues**" means [***] received by Reneo or any of its Affiliates from a Sublicensee in consideration for a sublicense under any of the vTv Technology to Develop, Manufacture or Commercialize a Licensed Product, but excludes [***].

3.7 Payment Method; Currency. All payments due under this Agreement to vTv shall be made by bank wire transfer in immediately available funds to an account designated by vTv. All payments hereunder shall be made in Dollars. When conversion of payments from any currency other than Dollars is required, such conversion shall be at an exchange rate equal to the weighted average of the rates of exchange for the currency of the country from which such payments are payable as published by *The Wall Street Journal*, Western U.S. Edition, during the calendar quarter in which the applicable sales were made.

3.8 Late Payment. If Reneo fails to make any payment due to vTv under this Agreement, then interest shall accrue on a monthly basis at the rate equal to [***], or at the maximum rate permitted by applicable Law, whichever is the lower.

3.9 Records; Inspection. Reneo shall, and shall cause its Affiliates and Sublicensees to, keep complete, true and accurate books of account and records for the purpose of determining the payments to be made under this Agreement. Such books and records shall be kept for [***] years following the end of the calendar year to which they pertain. Such records shall be open for inspection during such period by independent accountants, solely for the purpose of verifying payment statements hereunder for a period covering not more than the [***] prior to the date of request; *provided* that no period shall be subject to inspection under this section more than once. Such inspections shall be made no more than once each calendar year, on reasonable notice during normal business hours. The auditor will execute a reasonable written confidentiality agreement with Reneo and will disclose to vTv only such information as is reasonably necessary to provide vTv with information regarding any actual or potential discrepancies between amounts reported and actually paid and amounts payable under this Agreement. The auditor will send a copy of the report to Reneo at the same time it is sent to vTv. The report sent to both Parties will include the methodology and calculations used to determine the results. Any unpaid amounts (plus interest as set forth in Section 3.8) that are discovered shall be paid promptly by Reneo. Inspections conducted under this Section 3.9 shall be at the expense of vTv, unless the inspection discloses an underpayment by Reneo of [***] or more of the amount due for any period covered by the inspection, whereupon all costs relating to the inspection for such period shall be paid promptly by Reneo. If an inspection conducted pursuant to this Section 3.9 discloses an overpayment by Reneo, then Reneo will deduct the amount of such overpayment from amounts otherwise owed to vTv under this Agreement, unless no further payments are due hereunder, in which case the amount of such overpayment shall be refunded by vTv to Reneo.

3.10 Taxes.

(a) Taxes. Each Party shall be solely responsible for the payment of all taxes imposed on amounts paid or payable to such Party under this Agreement or any transaction contemplated hereby. To the extent Reneo is required to deduct and withhold taxes on any payment to vTv, Reneo shall deduct such taxes from the payment made to vTv, pay the amounts of such taxes to the proper Governmental Authority in a timely manner and promptly transmit to vTv an official tax certificate or other evidence of such withholding sufficient to enable vTv to claim credit for such payment of taxes.

(b) Tax Cooperation. The Parties agree to cooperate with one another and use reasonable efforts to reduce or eliminate tax obligations (including withholding) in respect of amounts payable by Reneo to vTv under this Agreement to the extent permitted by applicable Laws. Each Party shall provide to the other Party any tax forms that may be reasonably necessary in order for Reneo to not withhold tax or to withhold tax at a reduced rate. Reneo shall use reasonable efforts to identify any such forms prior to the due date and advise vTv of the same. Each Party shall provide the other with reasonable assistance to enable the recovery, as permitted by applicable Laws, of taxes paid with respect to, or withheld from, payments made under this Agreement, such recovery to be for the benefit of the Party bearing such tax.

4. DEVELOPMENT AND COMMERCIALIZATION

4.1 Alliance Managers. Within thirty (30) days after the Effective Date, each Party shall appoint and notify the other Party of the identity of a representative having the appropriate qualifications, including a general understanding of pharmaceutical development and commercialization issues, to act as its alliance manager under this Agreement (each, an "**Alliance Manager**"). The Alliance Managers shall serve as the primary contact points between the Parties for the purpose of providing vTv with information on the progress of Reneo's Development and Commercialization activities under this Agreement. The Alliance Managers shall also be primarily responsible for facilitating the flow of information and otherwise promoting communication and coordination between the Parties. Each Party may replace its Alliance Manager at any time upon written notice to the other Party.

4.2 vTv Know-How Transfer. Within [***] days after the Effective Date, vTv shall deliver to Reneo the vTv Know-How set forth on Exhibit 1.49. In addition, vTv shall deliver to Reneo any vTv Know-How that comes into existence, or existed as of the Effective Date but is only identified, after the Effective Date and was not previously provided to Reneo promptly after the development or identification thereof. During the [***] period after the Effective Date, vTv shall make available to Reneo, on a reasonable consultation basis, such advice of its technical personnel as may be reasonably requested by Reneo in connection with such transfer of vTv Know-How. Reneo agrees to reimburse vTv for the reasonable and documented fully-burdened charges for the time and expenses of such personnel when consulting for Reneo (including reasonable documented travel expenses, lodging and meals) incurred by personnel of vTv at the request of Reneo while rendering services under this Section 4.2. Reneo shall reimburse all such amounts within thirty (30) days after receipt of any invoice therefor.

4.3 Development Responsibilities. As between the Parties, Reneo shall have sole authority and responsibility for conducting or having conducted Development activities with respect to Compounds and Licensed Products in the Territory, at its sole cost and expense, in accordance with the terms and conditions of this Agreement. Reneo shall conduct all such activities in compliance in all material respects with all applicable Laws. Reneo shall have sole responsibility and control with respect to seeking Regulatory Approvals with respect to Licensed Products. As between the Parties, Reneo shall hold legal title to all Regulatory Materials within the Territory. Promptly following the Effective Date, vTv shall take and cause to be taken such actions and execute such documents that are requested in writing by Reneo to the extent necessary to transfer to Reneo all Regulatory Materials within the vTv Know-How.

4.4 Development Plan. Reneo shall prepare a written development plan, summarizing the Development activities related to any Compound or Licensed Product to be conducted by Reneo, its Affiliates, Sublicensees and subcontractors, and the timeline regarding such activities (as may be amended, the "**Development Plan**"). An initial Development Plan is attached to this Agreement as Exhibit 4.4. Reneo shall review from time to time and, as appropriate, prepare an update to the then-current Development Plan that reflects any material changes with respect to Development of Licensed Products and send such updated Development Plan to vTv for review. Reneo shall give good faith consideration to any written comments provided by vTv with respect to any updated Development Plan, but shall retain sole control over decisions with regard to the Development Plan and any changes thereto. Reneo and its Affiliates and Sublicensees, as applicable, shall conduct Development of Compounds and Licensed Products in accordance with the then-current Development Plan.

4.5 Commercialization Responsibilities. As between the Parties, Reneo shall have sole authority and responsibility for conducting or having conducted Commercialization activities with respect to Licensed Products in the Territory, at its sole cost and expense, in accordance with the terms and conditions of this Agreement. Reneo shall conduct all such activities in compliance in all material respects with all applicable Laws. It is understood that as between the Parties, Reneo shall be solely responsible for handling all returns, order processing, invoicing and collection, distribution, and receivables for Licensed Products in the Territory.

4.6 Development Records and Reports. Reneo shall maintain complete and accurate customary records (in the form of technical notebooks or electronic files where appropriate) of all Development activities related to any Compound or Licensed Product conducted by it or any of its Affiliates or Sublicensees, as applicable, under this Agreement and all Information resulting from such work. Such records, including any electronic files where such Information may also be contained, shall fully and properly reflect all work done and results achieved in the performance of the Development activities related to any Compound or Licensed Product in sufficient detail and in good scientific manner appropriate for applicable patent and regulatory purposes. Upon the expiry of each consecutive [***] month period during the Term until First Commercial Sale of a Licensed Product, Reneo shall provide vTv with a written report summarizing its Development activities related to any Compound or Licensed Product conducted by Reneo or any of its Affiliates or Sublicensees, as applicable, under this Agreement and the results of such activities, and shall be reasonably available for at least one (1) meeting (which may be held in person or by videoconference or teleconference) to discuss each such written report. Any information or report

provided by Reneo to vTv pursuant to this Section 4.6 shall be deemed to be Reneo's Confidential Information and subject to the provisions of Article 6.

4.7 Trademarks. Reneo shall have the right to brand Licensed Products using Reneo related trademarks and any other trademarks and trade names it determines appropriate for the Licensed Products which may vary by country or within a country ("**Product Marks**"), *provided* that Reneo shall not, and shall not permit its Affiliates or Sublicensees to, make any use of the trademarks or house marks of vTv or its Affiliates (including their corporate names) or any trademark confusingly similar thereto. As between the Parties, Reneo or its Affiliate or Sublicensees or subcontractors (as applicable) shall own all rights in the Product Marks and shall register and maintain the Product Marks in the countries and regions Reneo determines reasonably necessary at its own cost and expense.

4.8 Diligence. During the Term, Reneo (by itself or through its Affiliates or Sublicensees, as applicable), shall use Commercially Reasonable Efforts to (a) [***], and (b) [***]. For clarity, it is understood and acknowledged that to the extent that Reneo uses Commercially Reasonable Efforts (by itself or through its Affiliates or Sublicensees, as applicable) to seek Regulatory Approval for [***], Reneo shall be in compliance with this Section 4.8 with respect to seeking Regulatory Approval for [***]. Reneo will have no obligations to devote or cause to be devoted any level of diligence with respect to the Development, Regulatory Approval or Commercialization of Licensed Products except as set forth in this Section 4.8.

5. INTELLECTUAL PROPERTY

5.1 Ownership. Ownership of Information, discoveries and inventions (patentable or not) generated, conceived or reduced to practice after the Effective Date in the performance of the Development, Manufacture, Commercialization or other activities conducted by Reneo or any of its Affiliates or Sublicensees, as applicable, using vTv Technology, including Patents filed thereon and other intellectual property rights therein, shall be determined in accordance with inventorship under United States patent Laws. Reneo or its Affiliate shall be solely responsible, at its discretion and expense, for all decisions and actions with respect to the preparation, filing, prosecution and maintenance of any such Patents solely owned by it; *provided, however*, that Reneo shall notify vTv in writing [***] of any patent application solely owned by Reneo or any of its Affiliates or Sublicensees Covering any Compound or Licensed Product or the manufacture or use of any Compound or Licensed Product filed by Reneo or any of its Affiliates or Sublicensees (to the extent not previously disclosed to vTv).

5.2 Patent Prosecution.

(a) vTv Patents. All decisions and actions with respect to the preparation, filing, prosecution and maintenance of the vTv Patents shall be the responsibility of Reneo, using patent counsel reasonably acceptable to vTv, at Reneo's sole cost and expense; *provided, however*, that Reneo shall notify vTv in writing promptly after Reneo files any patent application included in the vTv Patents. Reneo may abandon or discontinue the prosecution or maintenance of any vTv Patent in a country; *provided* that Reneo first notifies vTv in writing at least [***] days in advance of the due date of any payment or other action that is required to prosecute or maintain such vTv

Patent, and, upon such notice, vTv shall have the option, but not the obligation, to prepare, file, prosecute and maintain such vTv Patent in the Territory at its sole cost and expense.

(b) Patent Term Extensions. As between the Parties, Reneo shall have the authority and responsibility to file for and seek to obtain patent term extensions (including any pediatric exclusivity extensions as may be available) or supplemental protection certificates or their equivalents in any country with respect to Patents covering Licensed Products.

(c) Data Exclusivity. With respect to data exclusivity periods, Reneo shall have the sole right, but not the obligation, consistent with its obligations under applicable Laws (including any applicable consent order), to seek, maintain and enforce all such data exclusivity periods available for Licensed Products.

(d) Cooperation. Promptly following the Effective Date, (but no less than [***] days before any statutory bar date), vTv will transfer to Reneo all Information concerning the preparation, filing, prosecution and maintenance of the vTv Patents. vTv shall cooperate with Reneo and shall execute any power of attorney or similar document, in each case to the extent reasonably required to allow Reneo to assume the preparation, filing, prosecution and maintenance of the vTv Patents in Reneo's name. Reneo shall cooperate with vTv, in each case to the extent reasonably required to allow vTv to assume the preparation, filing, prosecution and maintenance, of any Patent abandoned by Reneo pursuant to Section 5.2(a).

5.3 Patent Enforcement.

(a) Notification. If either Party becomes aware of any existing or threatened infringement of any vTv Patent in the Field in the Territory, including (i) any such existing or threatened infringement on account of a Third Party's manufacture, use or sale of any Compound or Licensed Product in the Field in any country in the Territory, or (ii) any certification filed by a Third Party in the United States pursuant to the Drug Price Competition and Patent Term Restoration Act of 1984 (or any successor legislation) or similar provisions in other jurisdictions, in connection with an abbreviated new drug application or a paper new drug application (or equivalent) with respect to any Compound or Licensed Product in the Field in any country in the Territory, or any other similar Third Party communication, including notices pursuant to §§ 101 and 103 of such act from any person or entity who has filed an abbreviated new drug application or a paper new drug application (or equivalent) with respect to any Compound or Licensed Product in the Field ((i) and (ii), collectively, "**Competitive Infringement**"), it shall promptly notify the other Party in writing to that effect, and the Parties will consult with each other regarding any actions to be taken with respect to such Competitive Infringement.

(b) Right to Enforce. Reneo shall have the first right, but shall not be obligated, to bring and control an infringement action with respect to any Competitive Infringement of any vTv Patent, at Reneo's sole cost and expense. If Reneo does not bring such an action with respect to a vTv Patent (or settle or otherwise secure the abatement of such infringement) prior to the earlier of: (i) [***] days following Reneo's receipt or delivery of the notice under Section 5.3(a), or (ii) [***] days before the deadline, if any, set forth in the applicable Laws for the filing of such actions, vTv shall have the right to bring and control any such action, at its own expense and by counsel of its own choice.

(c) Cooperation. Each Party shall cooperate fully with the enforcing Party in such enforcement, at such enforcing Party's request and expense, including joining such action as a party plaintiff if required by applicable Laws to pursue such action. The enforcing Party shall keep the other Party regularly informed of the status and progress of such enforcement efforts and shall reasonably consider the other Party's comments on any such efforts. The non-enforcing Party shall be entitled to separate representation in such matter by counsel of its own choice and at its own expense, but such Party shall at all times cooperate fully with the enforcing Party. Neither Party shall have the right to settle any patent infringement litigation under this Section 5.3 in a manner that diminishes the rights or interests of the other Party without the prior written consent of such other Party, such consent not to be unreasonably withheld, conditioned or delayed.

(d) Expenses and Recoveries. The enforcing Party bringing a claim, suit or action under this Section 5.3 shall be solely responsible for any expenses incurred by such Party as a result of such claim, suit or action. If such Party recovers monetary damages in such claim, suit or action, except as otherwise agreed by the Parties in connection with a cost-sharing arrangement, such recovery shall be allocated first to [***], and any remaining amounts shall be shared as follows: the enforcing Party shall receive [***] of such amounts and the other Party shall receive [***] of such amounts.

5.4 Patent Oppositions and Other Proceedings.

(a) If a vTv Patent becomes the subject of any proceeding commenced by a Third Party in connection with an opposition, action for declaratory judgment, nullity action, interference or other attack upon the validity, title or enforceability thereof, then Reneo shall have the first right, but not the obligation, to control such defense at its own expense using counsel of its own choice. If Reneo decides that it does not wish to defend against such action, it shall notify vTv reasonably in advance of all applicable deadlines, and vTv shall thereafter have the right, but not the obligation, to assume defense of such action at its own expense.

(b) The Party controlling any defense under this Section 5.4 shall permit the non-controlling Party to participate in the proceedings to the extent permissible under applicable Laws and to be represented by its own counsel at the non-controlling Party's expense. Notwithstanding any of the foregoing, the Party controlling any enforcement action pursuant to Section 5.3 shall also have the sole right to control the response to any attack on the validity, title, or enforceability of a Patent that is asserted by the alleged infringer(s) as a counterclaim or affirmative defense in such action. Neither Party shall have the right to settle any proceeding under this Section 5.4 in a manner that diminishes the rights or interests of the other Party without the prior written consent of such other Party, such consent not to be unreasonably withheld, conditioned or delayed.

5.5 Patent Marking. Reneo shall mark all Licensed Products (or when the character of the product precludes marking, the package containing any such Licensed Product) marketed and sold by Reneo or its Affiliates or Sublicensees in accordance with all applicable Laws relating to patent marking.

5.6 Infringement of Third Party Rights. If either Party becomes aware that any Licensed Product used or sold by Reneo or its Affiliates or Sublicensees has become the subject

of a Third Party's claim or assertion of infringement of a Patent, such Party shall promptly notify the other Party. Neither Party shall have the right to settle any patent infringement litigation under this Section 5.6 in a manner that diminishes the rights or interests of the other Party without the written consent of such other Party (which shall not be unreasonably withheld, conditioned or delayed).

6. CONFIDENTIALITY

6.1 Confidentiality Obligations. The Parties agree that during the Term and for a period of [***] years thereafter, a Party (or any of its Affiliates) receiving Confidential Information of the other Party (or any of its Affiliates) shall: (a) use reasonable efforts to maintain in confidence such Confidential Information (but not less than those efforts as such Party uses to maintain in confidence its own proprietary industrial information of similar kind and value); (b) not disclose such Confidential Information to any Third Party without prior written consent of the other Party, except to the extent expressly authorized by this Agreement or otherwise agreed in writing by the Parties; and (c) not use such other Party's Confidential Information for any purpose except those permitted by this Agreement or other written agreement between the Parties or in connection with exercising such Party's or its Affiliates' rights or fulfilling their obligations under this Agreement. Notwithstanding anything to the contrary in this Agreement, vTv and its Affiliates may not disclose any vTv Know-How to any Third Party without the prior written consent of Reneo, except to the extent required to comply with applicable Laws, including regulations promulgated by applicable security exchanges, court orders or administrative subpoenas or orders, *provided* that in such event, vTv shall promptly notify Reneo of such required disclosure and shall use reasonable efforts to assist Reneo, at Reneo's expense, in obtaining a protective order preventing or limiting the required disclosure.

6.2 Exceptions. The obligations in Sections 6.1, 6.3, 6.5, 6.6 and 7.8 shall not apply with respect to any portion of the disclosing Party's (or any of its Affiliates') Confidential Information that the receiving Party can show by competent written proof:

(a) was known to the receiving Party or any of its Affiliates, other than under an obligation of confidentiality to the disclosing Party or any of its Affiliates, at the time of disclosure by or on behalf of the disclosing Party or any of its Affiliates;

(b) was generally available to the public or otherwise part of the public domain, at the time of disclosure by or on behalf of the disclosing Party or any of its Affiliates;

(c) becomes generally available to the public or otherwise part of the public domain after the disclosure by or on behalf of the disclosing Party or any of its Affiliates, other than through any act or omission of the receiving Party or any of its Affiliates in breach of this Agreement;

(d) is subsequently disclosed to the receiving Party or any of its Affiliates by a Third Party who has a legal right to make such disclosure and who did not obtain such information directly or indirectly from the disclosing Party or any of its Affiliates under a then-surviving obligation of confidentiality; or

(e) is subsequently independently developed by employees, subcontractors or sublicensees of the receiving Party or any of its Affiliates without use of the disclosing Party's or any of its Affiliates' Confidential Information.

6.3 Authorized Disclosure. A Party may disclose the Confidential Information of the other Party or any of its Affiliates to the extent such disclosure is reasonably necessary in the following instances; *provided* that notice of any such disclosure shall be provided as soon as practicable to such other Party:

(a) filing or prosecuting Patents in accordance with Section 5.2;

(b) complying with the requirements of Regulatory Authorities with respect to obtaining and maintaining Regulatory Approval of Licensed Products;

(c) prosecuting or defending litigation as contemplated by this Agreement, including actions or proceedings in accordance with Section 5.3 or 5.4;

(d) disclosure to its or its Affiliates' employees, directors, officers, agents, consultants, professional advisors, subcontractors, licensees or sublicensees or *bona fide* potential subcontractors, licensees or sublicensees, on a need-to-know basis for the sole purpose of performing its or its Affiliates' obligations or exercising its or its Affiliates' rights under this Agreement; *provided* that in each case, the disclosees are bound by written or professional obligations of confidentiality and non-use consistent with those contained in this Agreement;

(e) disclosure to any *bona fide* potential or actual investor, acquiror or merger partner or other potential or actual financial or commercial partner for the sole purpose of evaluating an actual or *bona fide* potential investment, acquisition or other business relationship; *provided* that in each case, the disclosees are bound by written or professional obligations of confidentiality and non-use consistent with those contained in this Agreement; or

(f) complying with applicable Laws, including regulations promulgated by applicable security exchanges, court orders or administrative subpoenas or orders.

Notwithstanding the foregoing, in the event a Party is required to make a disclosure of the other Party's Confidential Information pursuant to Section 6.3(c) or (f), such Party shall promptly notify the other Party of such required disclosure and shall use reasonable efforts to assist the other Party, at such other Party's expense, in obtaining a protective order preventing or limiting the required disclosure.

6.4 Publicity; Terms of Agreement.

(a) If either Party desires to make a public announcement concerning the material terms of this Agreement, such Party shall give reasonable prior advance notice of the proposed text of such announcement to the other Party for its prior review and approval, which: (i) prior to [***], may be withheld by the other Party in its sole discretion (except as otherwise provided herein), except that vTv shall have the right, within three (3) business days after the Effective Date, to issue a press release announcing the execution of this Agreement, subject to the Parties' mutual agreement as to any description of this Agreement or the transactions contemplated

hereby contained therein; and (ii) after [***], shall not be unreasonably withheld. In the case of a press release or governmental filing required by applicable Law, the disclosing Party shall provide the other Party with such advance notice as it reasonably can and shall not be required to obtain approval therefor. A Party commenting on such a proposed press release shall provide its comments, if any, within five (5) business days after receiving the press release for review. Neither Party shall be required to seek the permission of the other Party to repeat any information regarding the terms of this Agreement or any amendment thereto that has already been publicly disclosed by such Party, or by the other Party, in accordance with this Section 6.4, provided such information remains accurate as of such time.

(b) The Parties acknowledge that either or both Parties may be obligated to file under applicable Laws a copy of this Agreement with the SEC or other Governmental Authorities. Each Party shall be entitled to make such a required filing, *provided* that it requests confidential treatment of the commercial terms and sensitive technical terms hereof and thereof to the extent such confidential treatment is reasonably available to such Party and permitted by such Governmental Authority. In the event of any such filing, the filing Party will consult with the other Party on the provisions of this Agreement to be redacted in any filing made with the SEC or as otherwise required by applicable Laws; *provided* that the filing Party shall have the right to make any such filing as it reasonably determines necessary under applicable Laws.

6.5 Equitable Relief. Each Party acknowledges that its breach of this Article 6 would cause irreparable harm to the other Party, which cannot be reasonably or adequately compensated in damages in an action at law. By reasons thereof, each Party agrees that the other Party shall be entitled, in addition to any other remedies it may have under this Agreement or otherwise, to preliminary and permanent injunctive and other equitable relief to prevent or curtail any actual or threatened breach of the obligations relating to Confidential Information set forth in this Article 6 by such Party.

6.6 Technical Publications. During the Term, vTv may not publish any Information involving a Compound or a Licensed Product (other than Information contained in a Patent within the vTv Technology that is published pursuant to applicable patent laws), without the prior written approval of Reneo, which approval will not be unreasonably withheld, conditioned or delayed. Reneo may freely publish any Information related to a Compound or a Licensed Product *provided* that any such publication does not contain any Confidential Information of vTv, without the prior written consent of vTv.

6.7 Prior Confidentiality Agreement. As of the Effective Date, the terms of this Article 6 shall supersede the Confidential Disclosure Agreement by and between Reneo and vTv, dated as of February 28, 2017 (the "**Prior CDA**"). Any information disclosed by or on behalf of vTv or any of its Affiliates under, and subject to, the Prior CDA shall be deemed Confidential Information of vTv for purposes of this Agreement.

7. TERM AND TERMINATION

7.1 Term. This Agreement shall become effective on the Effective Date and, unless earlier terminated pursuant to this Article 7, shall remain in effect until the expiration of the last Royalty Term in the Territory (the "**Term**").

7.2 Termination for Material Breach. Each Party shall have the right to terminate this Agreement in its entirety immediately upon written notice to the other Party if the other Party materially breaches its obligations under this Agreement and, after receiving written notice identifying such material breach in reasonable detail, fails to cure such material breach within [***] days from the date of such notice (or within [***] business days from the date of such notice in the event such material breach is solely based on the breaching Party's failure to pay any amounts or issue any Shares due hereunder). Any right to terminate under this Section 7.2 shall be stayed and the cure period tolled in the event that, during any cure period, the alleged breaching Party shall have initiated dispute resolution in accordance with Article 10 with respect to the alleged breach, which stay and tolling shall last so long as the alleged breaching Party diligently and in good faith cooperates in the prompt resolution of such dispute resolution proceedings. Each Party shall be entitled to offset, against amounts payable to the other Party under this Agreement, any amounts of damages determined, in a final decision by an applicable court action or other legal proceeding, to be owed to such Party by the other Party based on the other Party's material breach of this Agreement.

7.3 Termination Upon Insolvency. Either Party may terminate this Agreement upon written notice to the other Party if, at any time, the other Party (a) files in any court or agency pursuant to any statute or regulation of any state, country or jurisdiction, a petition in bankruptcy or insolvency or for reorganization or for an arrangement or for the appointment of a receiver or trustee of such other Party or of its assets, (b) is served with an involuntary petition against it, filed in any insolvency proceeding that is not dismissed within [***] days after the filing thereof, or (c) makes an assignment of the assets associated with this Agreement for the benefit of its creditors.

7.4 Termination by Reneo. Reneo may terminate this Agreement in its entirety for any reason upon [***] days prior written notice to vTv.

7.5 Effect of Expiration of this Agreement. Upon expiration (but not earlier termination) of this Agreement, the licenses granted to Reneo hereunder shall survive on a royalty-free, fully-paid, irrevocable and perpetual basis.

7.6 Effect of Any Termination. In the event of any termination of this Agreement prior to its expiration, the licenses granted to Reneo in Section 2.1, and all sublicenses granted thereunder, shall terminate; *provided, however,* that:

(a) if, prior to any termination of this Agreement (prior to expiration hereof), the Royalty Term with respect to a Licensed Product in any country had expired, the license granted to Reneo in Section 2.1 with respect to such Licensed Product in such country shall survive such termination of this Agreement on a royalty-free, fully-paid, irrevocable and perpetual basis; and

(b) if this Agreement is terminated by vTv pursuant to Section 7.2 or 7.3, then:

(i) any sublicense granted by Reneo to any of its Affiliates pursuant to Section 2.2 shall immediately terminate;

(ii) any sublicense granted to any Sublicensee pursuant to Section 2.2 (including any further sublicenses granted by such Sublicensee) and any license granted by Reneo to any Sublicensee under any product trademark assigned to vTv pursuant to Section 7.7(a)(ii)(3) shall survive termination of this Agreement [***], subject to (A) [***], and (B) [***]; *unless* (1) [***] or (2) [***]. In no event shall vTv be required to assume any obligations under any sublicense agreement that are greater in scope than vTv's obligations set forth in this Agreement; and

(iii) Section 7.7(b) shall not apply to any Sublicensee whose sublicense survives such termination in accordance with Section 7.6(b)(ii).

7.7 Effect of Termination. In the event of termination of this Agreement, and without prejudice to vTv's other rights and remedies, the following provisions (in addition to the provisions of Section 7.6, to the extent applicable), shall apply to the extent requested by vTv.

(a) [***].

(i) Termination Prior to [***]. If such termination becomes effective prior to [***], then:

(1) effective as of such termination, Reneo shall, and it hereby does, grant to vTv [***] license, [***] under Reneo Technology, solely to Develop, Manufacture, have Manufactured, seek Regulatory Approval for, use, sell, offer to sell, import and otherwise Commercialize Compounds and Licensed Products in the Field in the Territory; and

(2) Reneo shall promptly (A) [***] and (B) disclose to vTv, [***] all pre-clinical and clinical data, including pharmacology and biology data, in Reneo's or its applicable controlled Affiliates' Control with respect to any Compound(s) or Licensed Product(s).

(ii) Termination After [***]. If such termination becomes effective after [***], then:

(1) effective as of such termination, Reneo shall, and it hereby does, grant to vTv [***] license, [***] under Reneo Technology, solely to Develop, Manufacture, have Manufactured, seek Regulatory Approval for, use, sell, offer to sell, import and otherwise Commercialize Compounds and Licensed Products in the Field in the Territory;

(2) if, within [***] days after the effective date of termination, [***]:

(I) Reneo shall, and it hereby does, grant to vTv [***], under Reneo Technology, solely to Develop, Manufacture, have Manufactured, seek Regulatory Approval for, use, sell, offer to sell, import and otherwise Commercialize Compounds and Licensed Products in the Field in the Territory; and

(II) Reneo shall (a) [***] and (b) disclose to vTv [***] all pre-clinical and clinical data, including pharmacology and biology data, in Reneo's or its

applicable controlled Affiliates' Control with respect to any Compound(s) or Licensed Product(s); and

(3) Subject to Section 7.6(b)(ii), Reneo shall assign to vTv all of Reneo's and its controlled (within the meaning of Section 1.1) Affiliates' right, title and interest in any product trademark used solely with and for any Licensed Product(s), along with all associated goodwill, but specifically excluding any corporate trademarks or trade names of Reneo or such controlled Affiliates or any goodwill associated therewith.

(iii) Third Party IP. Notwithstanding any other provision of this Section 7.7(a) to the contrary, to the extent the Reneo Technology includes any Reneo Patent or Reneo Know-How that is licensed to Reneo by a Third Party under an agreement obligating Reneo to make milestone or royalty payments to such Third Party with respect to Compounds or Licensed Products, then Reneo shall so notify vTv within [***] days after the effective date of termination, which notice shall include a true, complete and correct description of such milestone and royalty payment obligations, and the inclusion of such Reneo Patent or Reneo Know-How in the Reneo Technology licensed to vTv under Section 7.7(a)(i)(1), Section 7.7(a)(ii)(1) or Section 7.7(a)(ii)(2) shall be subject to vTv's agreeing in writing to pay, and promptly paying, all royalty and milestone payments that become due to such Third Party by reason of the Development and Commercialization of Compounds and Licensed Products by or on behalf of vTv or any of its Affiliates or (sub)licensees. For clarity, any such Third Party royalty obligations described in this Section 7.7(a)(iii) are [***].

(b) Ongoing Clinical Trials. Subject to Section 7.6(b)(ii), unless expressly prohibited by any Regulatory Authority or applicable Laws, at vTv's written request made within [***] days of the effective date of termination, Reneo shall, and shall cause its Affiliates and Sublicensees to, (i) wind down in accordance with Applicable Law any or all clinical studies involving Licensed Products being conducted by or on behalf of Reneo or its Affiliate or Sublicensee as of the effective date of termination, at Reneo's cost and expense, or (ii) (x) transfer control to vTv of any or all clinical studies involving Licensed Products being conducted by or on behalf of Reneo or any of its Affiliate or Sublicensees as of the effective date of termination and (y) continue to conduct such clinical studies involving Licensed Products being conducted by or on behalf of Reneo or any Affiliate or Sublicensee as of the effective date of termination for up to [***] months to enable such transfer to be completed without interruption of any such clinical study, in each case ((ii)(x) and (ii)(y)), at vTv's cost and expense.

(c) Remaining Inventories. Reneo or its Affiliates (but not Sublicensees), to the extent that such parties continue to have stocks of usable Licensed Products, may continue to fulfill orders received for Licensed Products until [***] months following the date of termination. For Licensed Products sold by Reneo or its Affiliates after the effective date of a termination, Reneo shall continue to pay royalties pursuant to Section 3.5 and sales milestone payments pursuant to Section 3.4. Prior to the end of such [***] month period, Reneo shall provide vTv with a written notice of an estimate of the quantity of Licensed Products (or components thereof) and shelf life anticipated to remain in the inventory of Reneo at the end of such [***] month period and vTv shall have the right to purchase any or all of the inventory of Licensed Products (or components thereof) held by Reneo as of the end of such [***] month period (that are not committed to be supplied to any Third Party or Sublicensee or subcontractor, in the ordinary course

of business, as of the date of termination) at a price of [***] of Reneo's fully burdened cost of goods.

(d) Supply. Unless the Parties mutually agree in writing to [***], then at vTv's written request made within [***] days of the effective date of termination, Reneo shall supply to vTv the Compounds and Licensed Products [***]; *provided* that [***]. Reneo shall supply such Compounds and Licensed Products at a supply price [***]. Unless vTv no longer desires to obtain such Compounds and Licensed Products, Reneo shall Manufacture or have Manufactured, and supply, such Compounds and Licensed Products to vTv until [***].

(e) Manufacturing Matters.

(i) To the extent vTv so requests within [***] days after the effective date of termination, Reneo shall use commercially reasonable efforts to, and to cause any Affiliate it controls (within the meaning of Section 1.1) to, [***]; *provided* that [***]; *provided, further,* that, [***].

(ii) To the extent vTv so requests, for a period of up to [***] months following the effective date of termination, Reneo and any Affiliate it controls (within the meaning of Section 1.1) shall [***].

7.8 Confidential Information. Upon expiration or termination of this Agreement in its entirety, except to the extent that a Party retains a license from the other Party as provided in this Article 7, each Party shall cease using Confidential Information of the other Party and return or destroy, at the other Party's election, all copies of Confidential Information of the other Party in the possession or control of such Party; provided that such Party may keep one copy of such materials for archival purposes only subject to Article 6.

7.9 Damages; Relief. Termination of this Agreement shall not preclude either Party from claiming any other damages, compensation or relief that it may be entitled to as a result of the other Party's breach of this Agreement.

7.10 Survival. Termination or expiration of this Agreement shall not affect any rights or obligations of the Parties under this Agreement that have accrued prior to the date of termination or expiration. Notwithstanding anything to the contrary in this Agreement, the following provisions shall survive any expiration or termination of this Agreement: Articles 1, 10 and 11 and Sections 2.4, 3.5(b) (final sentence only), 3.9 (for the term stated therein), 5.1, 6.1 (for the term stated therein), 6.2, 6.3, 6.4, 6.5, 6.7, 7.5, 7.6, 7.7, 7.8, 7.9, 7.10, 7.11, 8.6, 9.1, 9.2 and 9.3 (for 6 years after the applicable expiration or termination).

7.11 Rights under Bankruptcy or Insolvency Laws. All rights and licenses granted under or pursuant to this Agreement by one Party to the other Party are, and will otherwise be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws, licenses of right to "intellectual property" as defined under Section 101 of the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws. The Parties agree that a Party that is a licensee of such rights under this Agreement will retain and may fully exercise all of its rights and elections under the provisions of applicable bankruptcy or insolvency laws. The Parties further agree that, in the event of the

commencement of a bankruptcy proceeding by or against a Party to this Agreement under the provisions of applicable bankruptcy or insolvency laws, the other Party will be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, and same, if not already in its possession, will be promptly delivered to it (a) upon any such commencement of a bankruptcy or insolvency proceeding upon its written request therefor, unless the bankrupt Party elects to continue to perform all of its obligations under this Agreement, or (b) if not delivered pursuant to clause (a) above, following the rejection of this Agreement by or on behalf of the bankrupt Party upon written request therefor by the other Party.

8. REPRESENTATIONS AND WARRANTIES AND COVENANTS

8.1 Mutual Representations and Warranties. Each Party hereby represents and warrants to the other Party as follows:

(a) Corporate Existence. As of the Effective Date, it is a company or corporation duly organized, validly existing, and in good standing under the Laws of the jurisdiction in which it is incorporated.

(b) Corporate Power, Authority and Binding Agreement. As of the Effective Date, (i) it has the corporate power and authority and the legal right to enter into this Agreement and perform its obligations hereunder; (ii) it has taken all necessary corporate action on its part required to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder; and (iii) this Agreement has been duly executed and delivered on behalf of such Party, and constitutes a legal, valid, and binding obligation of such Party that is enforceable against it in accordance with its terms.

(c) No Conflicts. The execution and delivery of this Agreement, and the performance by such Party of its obligations under this Agreement, including the grant of rights and licenses to the other Party pursuant to this Agreement, does not and will not: (i) conflict with, nor result in any violation of or default under, any instrument, judgment, order, writ, decree, contract or provision to which such Party is bound; (ii) give rise to the suspension, revocation, impairment, forfeiture or non-renewal of any material permit, license, authorization or approval that applies to such Party, its business or operations or any of its assets or properties; or (iii) conflict with any rights granted by such Party to any Third Party or breach any obligation that such Party has to any Third Party.

8.2 Representations and Warranties of Reneo. Reneo represents and warrants to vTv as of the Effective Date that:

(a) Capitalization.

(i) The authorized capital stock of Reneo, as of immediately prior to the Effective Date, consists of [***] shares of Common Stock, par value $0.001 per share, of which [***] shares are issued and outstanding as of immediately prior to the Effective Date.

(ii) All issued and outstanding shares of Reneo's Common Stock, (i) have been duly authorized and validly issued and are fully paid and nonassessable, and (ii) were

issued in compliance with all applicable state and federal laws concerning the issuance of securities.

(iii) When issued in compliance with the provisions of this Agreement and Reneo's Certificate of Incorporation (the "**Charter**"), the Shares will be validly issued, fully paid and nonassessable, and will be free of any liens, restrictions or other encumbrances other than (i) liens and encumbrances created by or imposed upon vTv, (ii) any right of first refusal set forth in Reneo's Bylaws and (iii) restrictions set forth in this Agreement, the **[***]** Stock Purchase Agreement or the Charter; *provided, however,* that the Shares may be subject to restrictions on transfer under state or federal securities laws or as otherwise required by such laws at the time a transfer is proposed. The sale of the Shares to vTv is not subject to any preemptive rights or rights of first refusal that have not been properly waived or complied with.

(b) Offering Valid. Assuming the accuracy of the representations and warranties of vTv contained in Section 8.3, the offer, sale and issuance of the Shares will be exempt from the registration requirements of the Securities Act, and will have been registered or qualified (or are exempt from registration and qualification) under the registration, permit or qualification requirements of all applicable state securities laws. Neither Reneo nor any agent on its behalf has solicited or will solicit any offers to sell or has offered to sell or will offer to sell all or any part of the Shares to any person or persons so as to bring the sale of such Shares by Reneo within the registration provisions of the Securities Act or any state securities laws.

(c) [***].

8.3 vTv Representations and Warranties. vTv represents and warrants to Reneo as of the Effective Date that:

(a) Purchase Entirely for Own Account. The Shares to be acquired by vTv will be acquired for investment for vTv's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and vTv has no present intention of selling, granting any participation in, or otherwise distributing the same. vTv does not presently have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person, with respect to any of the Shares.

(b) Disclosure of Information. vTv has had an opportunity to discuss Reneo's business, management, financial affairs and the terms and conditions of the offering of the Shares with Reneo's management.

(c) Restricted Securities. vTv understands that the Shares have not been, and will not be, registered under the Securities Act, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of vTv's representations as expressed herein. vTv understands that the Shares are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, vTv must hold such shares indefinitely unless they are registered with the SEC and qualified by state authorities, or an exemption from such registration and qualification requirements is available. vTv acknowledges that Reneo has no obligation to register or qualify the Shares for resale. vTv further acknowledges that if an

exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares, and on requirements relating to Reneo which are outside of vTv's control, and which Reneo is under no obligation and may not be able to satisfy.

(d) No Public Market. vTv understands that no public market now exists for the Shares, and that Reneo has made no assurances that a public market will ever exist for such Shares.

(e) Accredited Investor. vTv is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

(f) Legends. vTv understands that the stock certificates for the Shares and any securities issued in respect of or exchange for such Shares, may bear one or all of the following or similar legends:

(1) "THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH TRANSFER MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933".

(2) Any legend set forth in, or required by, the **[***]** Stock Purchase Agreement.

(3) Any legend required by the securities laws of any state to the extent such laws are applicable to such shares represented by the certificate so legended.

8.4 Additional Representations, Warranties and Covenants of vTv. vTv represents, warrants and covenants to Reneo that, as of the Effective Date:

(a) vTv is the sole and exclusive owner of the vTv Patents existing as of the Effective Date, free and clear of all liens, and vTv has the right to grant the licenses, sublicenses and other rights with respect to the vTv Technology that it purports to grant hereunder. Exhibit 1.50 is a true and complete list of all vTv Patents as of the Effective Date. To vTv's Knowledge as of the Effective Date, all official fees, maintenance fees and annuities for the vTv Patents have been paid through the Effective Date.

(b) To vTv's Knowledge as of the Effective Date, all issued vTv Patents as of the Effective Date are in full force and effect and subsisting, and inventorship of the invention(s) claimed by each vTv Patent existing as of the Effective Date is properly identified in such vTv Patent. No Third Party has asserted in writing to vTv as of the Effective Date that any issued vTv Patent is invalid or unenforceable. None of the vTv Patents is, as of the Effective Date, involved in any interference, reissue, reexamination, or opposition proceeding, and, to the Knowledge of vTv as of the Effective Date, no such proceeding is threatened. vTv has taken reasonable security

measures consistent with industry standard practices, including measures against unauthorized disclosure, to protect the secrecy and confidentiality of trade secrets within the vTv Know-How. vTv and its Affiliates have complied with all duties of candor required by applicable Governmental Authorities in the prosecution by vTv or any of its Affiliates of vTv Patents.

(c) To vTv's Knowledge as of the Effective Date, there are no activities by Third Parties that would constitute infringement of the vTv Patents or misappropriation of the vTv Know-How.

(d) Neither vTv nor any of its Affiliates has, as of the Effective Date, received any written notice from any person regarding, or has Knowledge as of the Effective Date of, any actual or threatened claim or assertion that the use or practice of the vTv Technology infringes or misappropriates the intellectual property rights of a Third Party.

(e) As of the Effective Date, there are no actual, pending, or alleged or, to vTv's Knowledge as of the Effective Date, threatened in writing, adverse actions, suits, claims, interferences or formal governmental investigations by or against vTv or its Affiliates in or before any court or Governmental Authority involving vTv Technology or any Compound or Licensed Product.

(f) vTv and its Affiliates and, to vTv's Knowledge as of the Effective Date, any subcontractor to which vTv or any of its Affiliates has subcontracted activities in connection with any Compound or Licensed Product have, prior to the Effective Date, complied in all material respects with all applicable Laws, including all good clinical practices, good laboratory practices and good manufacturing practices, permits, governmental licenses, registrations, approvals, authorizations, orders, injunctions and decrees, in the research, Development, Manufacture and use of any Compound and Licensed Product, and neither vTv nor any of its Affiliates nor, to vTv's Knowledge as of the Effective Date, any such subcontractor has, as of the Effective Date, received any written notice from any Governmental Authority claiming that any such activities as conducted by them are not in such compliance.

(g) All of vTv's and its Affiliates' employees, and, to vTv's Knowledge as of the Effective Date, all of vTv's and its Affiliates' subcontractors acting on its behalf, who, in each case, have performed research, Development, Manufacturing or regulatory activities with respect to any Compound or Licensed Product prior to the Effective Date have been obligated under a binding written agreement to comply with obligations of confidentiality and non-use with respect to vTv Technology no less restrictive than those set forth in Article 6.

(h) Neither vTv nor any of its Affiliates has granted any license or other right with respect to any vTv Technology or Compound or Licensed Product to any Third Party, including any member of the Sponsor Group. None of the vTv Technology existing as of the Effective Date is licensed to vTv by any Third Party, including any member of the Sponsor Group.

(i) As of the Effective Date, none of the vTv Technology constitutes Collateral (as defined in the Loan Agreement) under the Loan Agreement.

8.5 Covenants. Each Party covenants to the other Party as follows:

(a) No Debarment. Neither such Party nor any of its Affiliates is debarred or disqualified under the United States Federal Food, Drug and Cosmetic Act or comparable applicable Laws in the Territory and, in the course of Development, Manufacturing or other activities relating to any Compound or Licensed Product, neither Party nor any of its Affiliates or subcontractors has used or shall use any employee, consultant or subcontractor who has been debarred or disqualified or, to such Party's or its Affiliates' Knowledge, is the subject of debarment or disqualification proceedings by any Regulatory Authority. Reneo shall notify vTv promptly upon becoming aware that any of its or its Affiliates' or Sublicensees' employees, consultants or subcontractors involved in any Development, Manufacturing or other activities relating to any Compound or Licensed Product has been debarred or disqualified or is the subject of debarment or disqualification proceedings by any Regulatory Authority. Reneo shall ensure that each sublicense agreement with each Sublicensee imposes on such Sublicensee an obligation substantially similar to that set forth in this Section 8.5(a).

(b) Compliance. Reneo and its Affiliates shall comply in all material respects with all applicable Laws in the Development, Manufacture and Commercialization of each Licensed Product, in each case including the statutes, regulations and written directives of the FDA, the EMA and any other Regulatory Authorities, the Federal Food, Drug & Cosmetic Act, as amended, the Prescription Drug Marketing Act, the Federal Health Care Programs Anti-Kickback Law, 42 U.S.C. 1320a-7b(b), the statutes, regulations and written directives of Medicare, Medicaid and all other health care programs, as defined in 42 U.S.C. § 1320a-7b(f), and the Foreign Corrupt Practices Act of 1977, each as may be amended from time to time.

(c) Encumbrances. vTv hereby covenants and agrees that it shall not grant, or permit to be imposed, any lien or encumbrance on the vTv Patents or vTv Know-How during the term of this Agreement, whether under the Loan Agreement or otherwise.

8.6 Disclaimer. EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, WHETHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, OR NON-MISAPPROPRIATION OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS, ARE MADE OR GIVEN BY OR ON BEHALF OF A PARTY, AND ALL REPRESENTATIONS AND WARRANTIES, WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE, ARE HEREBY EXPRESSLY EXCLUDED.

9. INDEMNIFICATION AND LIMITATION OF LIABILITY

9.1 Indemnification.

(a) Indemnification by Reneo. Reneo shall defend, indemnify, and hold vTv and its Affiliates and their respective officers, directors, employees, and agents (the "**vTv Indemnitees**") harmless from and against any and all damages or other amounts payable to any Third Party claimant by, as well as any reasonable attorneys' fees and costs of litigation incurred by, such vTv Indemnitees, all to the extent resulting from claims, suits, proceedings, or causes of action brought by any Third Party ("**Claims**") against such vTv Indemnitees that arise from or are based on: (i) the Development, Manufacture or Commercialization of any Compound or Licensed

Product by or on behalf of Reneo or its Affiliates or Sublicensees (excluding in all cases vTv or its Affiliates); (ii) the breach of any of Reneo's obligations under this Agreement, including any of Reneo's representations, warranties or covenants set forth herein; or (iii) the willful misconduct or negligent acts of Reneo or any of its Affiliates or Sublicensees or any of its or their respective officers, directors, employees or agents. The foregoing indemnity obligation shall not apply to the extent that any of the Claims arises from, is based on, or results from any activity described in Section 9.1(b)(i), (ii) or (iii) for which vTv is obligated to indemnify the Reneo Indemnitees under Section 9.1(b).

(b) Indemnification by vTv. vTv shall defend, indemnify, and hold Reneo and its Affiliates and their respective officers, directors, employees, and agents (the "**Reneo Indemnitees**") harmless from and against any and all damages or other amounts payable to any Third Party claimant, as well as any reasonable attorneys' fees and costs of litigation incurred by such Reneo Indemnitees, all to the extent resulting from Claims against such Reneo Indemnitees that arise from or are based on: (i) the Development, Manufacture or Commercialization of any Compound or Licensed Product by or on behalf of vTv or its Affiliates, licensees or sublicensees (other than Reneo and its Affiliates and Sublicensees); (ii) the breach of any of vTv's obligations under this Agreement, including any of vTv's representations, warranties or covenants set forth herein; or (iii) the willful misconduct or negligent acts of vTv or any of its Affiliates or any of its or their respective officers, directors, employees or agents. The foregoing indemnity obligation shall not apply to the extent that any of the Claims arises from, is based on, or results from any activity set forth in Section 9.1(a)(i), (ii) or (iii) for which Reneo is obligated to indemnify the vTv Indemnitees under Section 9.1(a).

(c) Indemnification Procedures. The Party seeking indemnification hereunder (individually, the **"Indemnified Party"**), shall promptly notify the other Party (the **"Indemnifying Party"**) in writing of the applicable Claim(s). Such claim for indemnity shall indicate the nature of the Claim(s) and the basis therefor. The Indemnified Party shall promptly permit the Indemnifying Party, at its option and expense, to assume the complete defense of such Claim(s), *provided* that (i) the Indemnified Party will have the right to participate in the defense of any such Claim at its own cost and expense, (ii) the Indemnifying Party will conduct the defense of any such Claim with due regard for the business interests and potential related liabilities of the Indemnified Party, and (iii) the Indemnifying Party will not agree to any settlement that would admit liability on the part of the Indemnified Party or involve relief other than payment of money, without the approval of the Indemnified Party, not to be unreasonably withheld, conditioned or delayed; and *provided, further*, that if it is reasonably likely that the Parties may have conflicting interests or if it is otherwise not advisable under applicable legal and ethical requirements for the Indemnifying Party's defense counsel to represent both Parties, separate independent counsel shall be retained for each Party at its own expense. The Indemnifying Party will not, in defense of any such Claim, except with the consent of the Indemnified Party, consent to the entry of any judgment or enter into any settlement which does not include, as an unconditional term thereof, the giving by the claimant or plaintiff to the Indemnified Party of a release from all liability in respect thereof. After notice to the Indemnified Party of the Indemnifying Party's election to assume the defense of such Claim, the Indemnifying Party shall be liable to the Indemnified Party for such legal or other expenses subsequently incurred by the Indemnified Party in connection with the defense thereof at the request of the Indemnifying Party. As to those Claims with respect to which the Indemnifying Party does not elect to assume control of the defense, the Indemnified Party will

afford the Indemnifying Party an opportunity to participate in such defense at the Indemnifying Party's own cost and expense, and will not settle or otherwise dispose of any of the same without the consent of the Indemnifying Party.

9.2 Limitation of Liability. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, OR INDIRECT DAMAGES ARISING FROM OR RELATING TO ANY BREACH OF THIS AGREEMENT, REGARDLESS OF ANY NOTICE OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS SECTION 9.2 IS INTENDED TO OR SHALL LIMIT OR RESTRICT THE INDEMNIFICATION RIGHTS OR OBLIGATIONS OF ANY PARTY UNDER SECTION 9.1 OR DAMAGES AVAILABLE FOR A PARTY'S BREACH OF CONFIDENTIALITY OBLIGATIONS IN ARTICLE 6.

9.3 Insurance. Reneo shall procure and maintain insurance, including product liability insurance, with respect to its activities hereunder and which is consistent with normal business practices of prudent companies similarly situated (but in no event less than [***] per occurrence or claim, and [***] in the aggregate) at all times during which any Licensed Product is being clinically tested in human subjects or commercially distributed or sold. Reneo shall provide vTv with evidence of such insurance upon request and shall provide vTv with written notice at least thirty (30) days prior to the cancellation, non-renewal or material changes in such insurance. It is understood that such insurance shall not be construed to create a limit of Reneo's liability with respect to its indemnification obligations under this Article 9. As of the Effective Date, there are no outstanding insurance claims against vTv's insurance policies related to any clinical trial of any Compound or Licensed Product conducted by or on behalf of vTv or any of its Affiliates.

10. DISPUTE RESOLUTION

10.1 Disputes. The Parties recognize that disputes as to certain matters arising under or relating to this Agreement or either Party's rights or obligations hereunder may from time to time arise. It is the objective of the Parties to establish procedures to facilitate the resolution of disputes arising under this Agreement in an expedient manner by mutual cooperation and without resort to litigation. To accomplish this objective, the Parties agree to follow the procedures set forth in this Article 10 to resolve any controversy or claim arising out of, relating to or in connection with any provision of this Agreement, if and when a dispute arises under this Agreement.

10.2 Internal Resolution. With respect to all disputes arising between the Parties under this Agreement, including any alleged breach under this Agreement or any issue relating to the interpretation or application of this Agreement, if the Parties are unable to resolve such dispute within [***] days after such dispute is first notified by either Party in writing to the other, the Parties shall refer such dispute to the Executive Officers (or their designees) for attempted resolution by good faith negotiations within [***] days after such notice is received, including at least [***] in person meeting of the Executive Officers within [***] days after such notice referring the dispute to the Executive Officers is received.

10.3 Binding Arbitration. If the Executive Officers of the Parties are not able to resolve such disputed matter within [***] days and either Party wishes to pursue the matter, each such dispute, controversy or claim, subject to Section 10.4, shall be finally resolved by binding

arbitration administered by the International Chamber of Commerce ("**ICC**") pursuant to its Dispute Resolution Rules then in effect, and judgment on the arbitration award may be entered in any court having jurisdiction thereof. The Parties agree that:

(a) The arbitration shall be conducted by a panel of three (3) persons experienced in the pharmaceutical business. Within [***] days after initiation of arbitration, each Party shall select one (1) person to act as arbitrator and the two (2) Party-selected arbitrators shall select a third arbitrator within [***] days of their appointment. If the arbitrators selected by the Parties are unable or fail to agree upon the third arbitrator, the third arbitrator shall be appointed by the ICC. The place of arbitration shall be New York, New York, and all proceedings and communications shall be in English.

(b) Either Party may apply to the arbitrators for interim injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either Party also may, without waiving any remedy under this Agreement, seek from any court having jurisdiction any injunctive or provisional relief necessary to protect the rights or property of that Party pending the arbitration award. Except as set forth in Section 9.2, the arbitrators shall have no authority to award punitive or any other type of damages not measured by a Party's compensatory damage. Each Party shall bear its own costs and expenses and attorneys' fees and an equal share of the arbitrators' fees and any administrative fees of arbitration, unless the arbitrators determine that a Party has incurred unreasonable expense due to vexatious or bad faith position taken by the other Party, in which event, the arbitrators may make an award of all or any portion of such expenses so incurred.

(c) Reasons for the arbitrators' decisions should be complete and explicit, including reasonable determinations of law and fact. The written reasons should also include the basis for any damages awarded and a statement of how the damages were calculated. Such a written decision shall be rendered by the arbitrators following a full comprehensive hearing, no later than six (6) months following the selection of the arbitrators under Section 10.3(a).

(d) Except to the extent necessary to confirm an award or as may be required by applicable Laws, neither Party nor any arbitrator may disclose the existence, content, or results of an arbitration without the prior written consent of both Parties. In no event shall an arbitration be initiated after the date when commencement of a legal or equitable proceeding based on the dispute, controversy or claim would be barred by the applicable statute of limitations.

10.4 Excluded Disputes. Notwithstanding Section 10.3, any dispute, controversy or claim relating to (a) the scope, validity, enforceability or infringement of any Patent, trademark or copyright or (b) any antitrust, anti-monopoly or competition law or regulation, whether or not statutory shall be submitted to a court of competent jurisdiction.

11. MISCELLANEOUS

11.1 Entire Agreement; Amendments. This Agreement, including the Exhibits hereto, together with the **[***]** Stock Purchase Agreement between the Parties, sets forth the complete, final and exclusive agreement and all the covenants, promises, agreements, warranties, representations, conditions and understandings between the Parties hereto with respect to the

subject matter hereof, and supersedes all prior agreements and understandings between the Parties with respect to the subject matter hereof, including the Prior CDA. There are no covenants, promises, agreements, warranties, representations, conditions or understandings, either oral or written, between the Parties other than as are set forth in this Agreement. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the Parties unless reduced to writing and signed by an authorized officer of each Party.

11.2 Force Majeure. Each Party shall be excused from the performance of its obligations under this Agreement to the extent that such performance is prevented by force majeure (as defined below) and the nonperforming Party promptly provides notice of the prevention to the other Party. Such excuse shall be continued so long as the condition constituting force majeure continues and the nonperforming Party takes reasonable efforts to remove the condition. For purposes of this Agreement, "**force majeure**" shall include conditions beyond the control of the Parties, including an act of God, war, civil commotion, terrorism, labor strike or lock-out, epidemic, failure or default of public utilities or common carriers, destruction of production facilities or materials by fire, earthquake, storm or like catastrophe. Notwithstanding the foregoing, the payment of amounts due and owing hereunder shall in no event be delayed by the payor because of a force majeure affecting the payor.

11.3 Notices. Any notices given under this Agreement shall be in writing, addressed to the Parties at the following addresses (or any other address provided pursuant to this Section 11.3), and delivered by person, by facsimile (with receipt confirmation), or by FedEx or other reputable courier service. Any such notice shall be deemed to have been given: (a) as of the day of personal delivery; (b) one (1) day after the date sent by facsimile service; or (c) on the day of successful delivery to the other Party confirmed by the courier service. Unless otherwise specified in writing, the mailing addresses of the Parties shall be as described below.

If to Reneo:

Reneo Pharmaceuticals, Inc.
12730 High Bluff Drive
Suite 160
San Diego, CA 92130
Attention: Mike Grey

With copies (which shall not constitute notice) to:

Cooley LLP
4401 Eastgate Mall
San Diego, CA 92121-1909
Attention: L. Kay Chandler
FAX: +1 858 550 6420

If to vTv:

vTv Therapeutics LLC
4170 Mendenhall Oaks Pkwy
High Point, NC 27265
Attention: Law Department

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

WilmerHale
60 State Street
Boston, MA 02109
Attention: Steven D. Barrett
FAX: +1 617 526 5000

11.4 Assignment. Neither Party may assign or transfer this Agreement or any rights or obligations hereunder without the prior written consent of the other, except that a Party may assign this Agreement and its rights and obligations hereunder without the other Party's consent:

(a) to an Affiliate, including in connection with any re-domiciling of such Party or its Affiliates, *provided* that the assigning Party shall remain liable and responsible to the non-assigning Party hereto for the performance and observance of all such duties and obligations by such Affiliate; or

(b) in connection with the transfer or sale of all or substantially all of the business of such Party to which this Agreement relates to a Third Party ("**Third Party Acquirer**"), whether by merger, sale of stock, sale of assets or otherwise (each, a "**Sale Transaction**"). In the event of a Sale Transaction (whether this Agreement is actually assigned or is assumed by the Third Party Acquirer or the surviving corporation resulting from such Sale Transaction by operation of law (*e.g.*, in the context of a reverse triangular merger)), intellectual property rights of the Third Party Acquirer, or of any of such Third Party Acquirer's Affiliates ("**Pre-Existing Affiliates**") that were not Affiliates of such Party immediately prior to the consummation of such Sale Transaction, shall not be included in the technology licensed hereunder or otherwise subject to this Agreement; *provided* that: (i) such Third Party Acquirer shall establish reasonable internal safeguards designed to prevent any vTv Technology, Reneo Technology or any Confidential Information of the Party not involved in the Sale Transaction from being used in furtherance of the development or commercialization of, or otherwise for the benefit of, any [***]; and (ii) if the Party or Third Party Acquirer involved in the Sale Transaction uses any intellectual property of such Third Party Acquirer or any of its Pre-Existing Affiliates in the conduct of any activities under this Agreement, then any such intellectual property that is so used shall be included in the technology licensed hereunder and otherwise subject to this Agreement.

The rights and obligations of the Parties under this Agreement shall be binding upon and inure to the benefit of the respective successors and permitted assigns of the Parties, and the name of a Party appearing herein will be deemed to include the name of such Party's successors and permitted assigns to the extent necessary to carry out the intent of this section. Any assignment or

attempted assignment by either Party in violation of the terms of this Section 11.4 shall be null, void and of no legal effect.

11.5 Performance by Affiliates. Each Party may discharge any obligations and exercise any right hereunder through any of its Affiliates. Each Party hereby guarantees the performance by its Affiliates of such Party's obligations under this Agreement, and shall cause its Affiliates to comply with the provisions of this Agreement in connection with such performance. Any breach by a Party's Affiliate of any of such Party's obligations under this Agreement shall be deemed a breach by such Party, and the other Party may proceed directly against such Party without any obligation to first proceed against such Party's Affiliate.

11.6 Further Actions. Each Party agrees to execute, acknowledge and deliver such further instruments, and to do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

11.7 Severability. If any of the provisions of this Agreement are held to be invalid or unenforceable by any court of competent jurisdiction from which no appeal can be or is taken, the provision shall be considered severed from this Agreement and shall not serve to invalidate any remaining provisions hereof. The Parties shall make a good faith effort to replace any invalid or unenforceable provision with a valid and enforceable one such that the objectives contemplated by the Parties when entering this Agreement may be realized.

11.8 No Waiver. Any delay in enforcing a Party's rights under this Agreement or any waiver as to a particular default or other matter shall not constitute a waiver of such Party's rights to the future enforcement of its rights under this Agreement, excepting only as to an express written and signed waiver as to a particular matter for a particular period of time.

11.9 Independent Contractors. Each Party shall act solely as an independent contractor, and nothing in this Agreement shall be construed to give either Party the power or authority to act for, bind, or commit the other Party in any way. Nothing herein shall be construed to create the relationship of partners, principal and agent, or joint-venture partners between the Parties.

11.10 Governing Law. Resolution of all disputes, controversies or claims arising out of, relating to or in connection with this Agreement or the performance, enforcement, breach or termination of this Agreement and any remedies relating thereto, shall be governed by and construed under the substantive laws of the State of Delaware, U.S., without regard to conflicts of law rules.

11.11 Construction of this Agreement. When used in this Agreement, "**including**" means "**including without limitation**". The word "**or**" means "**and/or**" unless the context dictates otherwise because the subject of the conjunction are mutually exclusive. The words "**herein**," "**hereof**" and "**hereunder**" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision. A capitalized term not defined herein but reflecting a different part of speech from that of a capitalized term which is defined herein shall be interpreted in a correlative manner. All references to days in this Agreement mean calendar days, unless otherwise specified. References to either Party include the successors and

permitted assigns of that Party. All references in this Agreement to the singular shall include the plural where applicable. The headings of this Agreement are for convenience of reference only and in no way define, describe, extend or limit the scope or intent of this Agreement or the intent of any provision contained in this Agreement. Unless otherwise specified, references in this Agreement to any Article shall include all Sections, subsections and paragraphs in such Article, references to any Section shall include all subsections and paragraphs in such Section, and references in this Agreement to any subsection shall include all paragraphs in such subsection. The Parties have each consulted counsel of their choice regarding this Agreement and have jointly prepared this Agreement, and, accordingly, no provisions of this Agreement shall be construed against either Party on the basis that the Party drafted this Agreement or any provision thereof. If the terms of this Agreement conflict with the terms of any Exhibit, then the terms of this Agreement shall govern. This Agreement has been prepared in the English language and English shall control its interpretation.

11.12 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be an original and all of which shall constitute together the same document. Counterparts may be signed and delivered by facsimile, or electronically in PDF format, each of which shall be binding when sent.

[Signature page follows.]

IN WITNESS WHEREOF, the Parties have executed this Agreement in duplicate originals by their proper officers as of the Effective Date.

RENEO PHARMACEUTICALS, INC.

By: /s/ Niall O'Donnell
Name: Niall O'Donnell, Ph.D.
Title: President and Chief Executive Officer

VTV THERAPEUTICS LLC

By: /s/ Rudy Howard
Name: Rudy Howard
Title: Executive Vice President and Chief Financial Officer

Exhibit 1.49
vTv Know-How

[***]

Exhibit 1.50
vTv Patents

Docket No.	Country	Application No.	Filing Date	Patent No.	Issue Date	Status
[***]	[***]	[***]	[***]	[***]	[***]	[***]

Exhibit 3.2(a)
[***]

RENEO PHARMACEUTICALS, INC.
COMMON STOCK ISSUANCE AGREEMENT

THIS COMMON STOCK ISSUANCE AGREEMENT (the "***Agreement***") is effective as of December 21, 2017, by and between **RENEO PHARMACEUTICALS, INC.**, a Delaware corporation (the "***Company***"), and **VTV THERAPEUTICS LLC**, a limited liability company organized under the laws of Delaware ("***Purchaser***").

WHEREAS, the Company desires to issue, and Purchaser desires to acquire, shares of Common Stock of the Company (the "***Common Stock***") as herein described, on the terms and conditions hereinafter set forth.

NOW, THEREFORE, IT IS AGREED between the parties as follows:

1. ISSUANCE OF COMMON STOCK. The Company hereby agrees to issue to Purchaser an aggregate of [***] shares of Common Stock (the "***Stock***") in partial consideration of the rights granted to the Company pursuant to that certain License Agreement, dated as of December 21, 2017, by and between the Company and Purchaser (the "***License Agreement***"), as set forth in Section 3.2 of the License Agreement. The closing hereunder, including delivery of the Stock, shall occur at the offices of the Company immediately following the execution of this Agreement, or at such other time and place as the parties may mutually agree.

2. LIMITATIONS ON TRANSFER. Purchaser shall not assign, hypothecate, donate, encumber or otherwise dispose of any interest in the Stock except in compliance with the provisions herein and applicable securities laws. Furthermore, the Stock shall be subject to any right of first refusal in favor of the Company or its assignees, and any other transfer restrictions, that may be contained in the Company's Bylaws. Purchaser hereby further acknowledges that Purchaser may be required to hold the Stock purchased hereunder indefinitely. During the period of time during which Purchaser holds the Stock, the value of the Stock may increase or decrease, and any risk associated with such Stock and such fluctuation in value shall be borne by Purchaser.

3. RESTRICTIVE LEGENDS. All certificates representing the Stock shall have endorsed thereon legends in substantially the following forms (in addition to any other legend which may be required by other agreements between the parties hereto):

(a) "THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER SAID ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED."

(b) "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A RIGHT OF FIRST REFUSAL OPTION IN FAVOR OF THE COMPANY AND/OR ITS ASSIGNEE(S) AS PROVIDED IN THE BYLAWS OF THE COMPANY."

(c) "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A TRANSFER RESTRICTION, AS PROVIDED IN THE BYLAWS OF THE COMPANY."

(d) Any legend required by appropriate blue sky officials.

4. COMPANY REPRESENTATIONS. In connection with the issuance of the Stock, Company represents to the Purchaser the following:

(a) Organization and Standing. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has full corporate power and authority to conduct its business as presently conducted and as proposed to be conducted by it and to enter into and perform this Agreement and to carry out the transactions contemplated by this Agreement. The Company is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction in which the nature of its activities require such qualification, except where the failure to be so duly qualified and in good standing would not have a material adverse effect on the Company's financial condition, results of operations, assets, liabilities or business.

(b) Issuance of Stock. The issuance, sale and delivery of the Stock in accordance with this Agreement and the performance by the Company of its obligations under this Agreement have been duly authorized by all necessary corporate action on the part of the Company, and this Agreement constitutes the legally valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject as to enforcement of remedies to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting generally the enforcement of creditors' rights and subject to a court's discretionary authority with respect to the granting of a decree ordering specific performance or other equitable remedies.

(c) Capitalization. Immediately prior to the issuance of the Stock, the authorized capital stock of the Company consists of [***] shares of Common Stock, of which [***] shares are issued and outstanding. The Company does not have any shares of preferred stock authorized or outstanding. The Stock represents [***]% of the Company's Fully Diluted Shares (as defined in the License Agreement) as of the date hereof. All of the outstanding shares of capital stock of the Company have been duly authorized and are validly issued, fully paid and nonassessable.

(d) Validity of Stock. The Stock, when issued, sold and delivered in compliance with the terms and for the consideration expressed in this Agreement, will be duly authorized, validly issued (including without limitation, issued in compliance with applicable federal and state securities laws), fully paid and nonassessable.

(e) No Conflict with Other Instruments. The execution, delivery, and performance of this Agreement, the issuance of the Stock, and the consummation of the transactions contemplated hereby will not result in any violation of, be in conflict with, or constitute a default under, with or

without the passage of time or the giving of notice: (i) any provision of the Company's Certificate of Incorporation or bylaws; (ii) any provision of any judgment, decree, or order to which the Company is a party or by which it is bound; (iii) any material contract, obligation or commitment to which the Company is a party or by which it is bound; or (iv) to the Company's knowledge, any statute, rule, or governmental regulation applicable to the Company.

(f) Governmental and Third Party Consents. Subject to the accuracy of the Purchaser's representations in Section 5 of this Agreement, no consent, approval, order, or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state, local, or provincial governmental authority on the part of the Company is required in connection with the consummation of the transactions contemplated by this Agreement, except for filings pursuant to Regulation D under the Securities Act and applicable state securities laws, all of which have been made or will be made in a timely manner. Subject to the accuracy of the Purchaser's representations in Section 5 of this Agreement, the issuance of the Stock as contemplated by this Agreement is exempt from the registration requirements of the Securities Act of 1933, as amended (the "***Act***"), and will not result in a violation of the qualification or registration requirements of any applicable state securities laws.

(g) Rights of Registration and Stockholder Rights. The Company is not under any obligation to register under the Act any of its currently outstanding securities or any securities issuable upon exercise or conversion of its currently outstanding securities. With the exception of the holders of outstanding convertible promissory notes issued by the Company, the Company has not granted anyone other than the Purchaser the right to purchase or acquire securities of the Company.

5. INVESTMENT REPRESENTATIONS. In connection with the acquisition of the Stock, Purchaser represents to the Company the following:

(a) Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Stock. Purchaser is acquiring the Stock for investment for Purchaser's own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Act.

(b) Purchaser understands that the Stock has not been registered under the Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.

(c) Purchaser is capable of evaluating the merits and risks of its investment in the Company and has the capacity to protect Purchaser's own interests. Purchaser further acknowledges and understands that the Stock must be held indefinitely unless the Stock is subsequently registered under the Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the Stock and has no present intention of registering the Stock or any shares of its Common Stock. Purchaser also understands that there is no assurance that any exemption from registration under the Act will be available and that, even if available, such exemption may not allow Purchaser to transfer all or any portion of the Stock under the circumstances, in the amounts or at the times

Purchaser might propose. Purchaser understands that the certificate evidencing the Stock will be imprinted with a legend that prohibits the transfer of the Stock unless the Stock is registered or such registration is not required in the opinion of counsel for the Company.

(d) Purchaser is familiar with the provisions of Rule 144 under the Act, as in effect from time to time, which, in substance, permits limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer thereof (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. The Stock may be resold by Purchaser in certain limited circumstances subject to the provisions of Rule 144, which requires, among other things: (i) the availability of certain public information about the Company and (ii) the resale occurring following the required holding period under Rule 144 after the Purchaser has purchased, and made full payment of (within the meaning of Rule 144), the securities to be sold.

(e) Purchaser further understands that at the time Purchaser wishes to sell the Stock there may be no public market upon which to make such a sale, and that, even if such a public market then exists, the Company may not be satisfying the current public information requirements of Rule 144, and that, in such event, Purchaser may be precluded from selling the Stock under Rule 144 even if the minimum holding period requirement had been satisfied.

(f) Purchaser represents that Purchaser is an "accredited investor" as that term is defined in Rule 501 of Regulation D promulgated by the Securities and Exchange Commission under the Act.

(g) Purchaser further warrants and represents that Purchaser has either (i) a preexisting business relationship with the Company or any of its officers, directors or controlling persons, or (ii) the capacity to protect its own interests in connection with the acquisition of the Stock by virtue of its business or financial expertise or that of professional advisors to Purchaser who are unaffiliated with and who are not compensated by the Company or any of its affiliates, directly or indirectly.

6. MARKET STAND-OFF AGREEMENT. If so requested by the Company and the underwriters in connection with the initial public offering of the Company's securities registered under the Act, Purchaser shall not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to, any Common Stock or other securities of the Company held by Purchaser, including the Stock (the "***Restricted Securities***"), during the 180-day period following the effective date of such registration statement (or such longer period, not to exceed 34 days after the expiration of the 180-day period, as the underwriters or the Company shall request in order to facilitate compliance with FINRA Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation). The foregoing provisions of this Section 6 shall apply only to the Company's initial public offering, shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall be applicable to the Purchaser only if all officers and directors are subject to the same restrictions and the Company uses commercially reasonable efforts to obtain a similar agreement from all stockholders individually owning more than one percent (1%) of the Company's outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding shares of the Company's preferred stock). Purchaser agrees to execute and deliver such other agreements as may be reasonably requested by the Company and/or the

managing underwriters which are consistent with the foregoing or which are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to Purchaser's Restricted Securities until the end of such period. The underwriters for the Company's initial public offering are intended third-party beneficiaries of this Section 6 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

7. REFUSAL TO TRANSFER. The Company shall not be required to (a) transfer on its books any shares of stock of the Company which have been transferred in violation of any of the provisions set forth in this Agreement or (b) treat as owner of such shares or to accord the right to vote as such owner or to pay dividends to any transferee to whom such shares have been so transferred.

8. SATISFACTION UNDER LICENSE AGREEMENT. Purchaser and the Company hereby acknowledge and agree that the transactions contemplated by this Agreement satisfy in full the Company's obligations under Section 3.2(a) of the License Agreement as of the date hereof.

9. MISCELLANEOUS.

(a) Notices. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed electronic mail, telex or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (c) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the Company at the address as set forth in Section 11.3 of the License Agreement and to Purchaser at the address as set forth in Section 11.3 of the License Agreement or at such other address or electronic mail address as the Company or Purchaser may designate by 10 days advance written notice to the other party hereto.

(b) Successors and Assigns. This Agreement shall inure to the benefit of the successors and assigns of the parties hereto, subject to the restrictions on transfer herein set forth.

(c) Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware. The parties agree that any action brought by either party under or in relation to this Agreement, including without limitation to interpret or enforce any provision of this Agreement shall be brought in, and each party agrees to, and does hereby, submit to the jurisdiction and venue of, the appropriate state or federal court located in the State of Delaware.

(d) Entire Agreement; Amendment. This Agreement and Section 3.2 of the License Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede and merge all prior agreements or understandings, whether written or oral. This Agreement may not be amended, modified or revoked, in whole or in part, except by an agreement in writing signed by each party hereto.

(e) Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith.

In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms.

(f) Counterparts; Facsimile. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. This Agreement may be executed and delivered electronically or by facsimile and upon such delivery such electronic or facsimile signature will be deemed to have the same effect as if the original signature had been delivered to the other party.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

COMPANY:

RENEO PHARMACEUTICALS, INC.

By: _____
Name: Niall O'Donnell
Title: President and Chief Executive Officer

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

PURCHASER:

vTv THERAPEUTICS LLC

By: _____
Name: Rudy Howard
Title: Executive Vice President and Chief Financial Officer

Exhibit 4.4
Development Plan

REN-001(HPP593) Preliminary Development Plan

[***]

Exhibit 10.18

January 30, 2019

Dr. Lon Cardon
[...***...]

RE: Member of the Reneo Board of Directors

Dear Lon:

This letter confirms our understanding regarding the terms of your service as a member of the Board of Directors (the "Board") of Reneo Pharmaceuticals, Inc., a Delaware corporation (the "Company"), beginning on **January 30, 2019**. This letter sets forth our understanding regarding such services to be performed in such capacity, and nothing in this letter nor the services rendered hereunder are meant, or shall be construed in any way or manner, to create between you and the Company a relationship of employer and employee.

Subject to the approval of the Board, you will be granted a stock option to purchase 130,000 shares of the Company's common stock (the "Option"), which as of the date hereof represents approximately 0.35% of the Company's outstanding shares on a fully diluted basis (assuming completion of the second tranche of the Company's Series A Preferred Stock financing). This Option will be a non-statutory stock option and will have an exercise price per share that will be equal to the fair market value of the Company's common stock on the date of grant as determined by the Board. The Option will generally be subject to the terms and conditions applicable to options granted under the Company's 2014 Equity Incentive Plan (as amended, the "Plan"), as described in the Plan and the applicable stock option agreement, and will vest in forty-eight equal monthly installments subject to your continuous service to the Company through each such vesting date. However, if, during your service to the Company, the Company completes a Change in Control (within the meaning of the Plan), 100% of any shares subject to this Option that remain unvested shall immediately vest and become exercisable as of immediately prior to the consummation of such Change in Control.

As a member of the Board, pursuant to the Delaware General Corporation Law ("DGCL") and related case law you will owe fiduciary duties to the Company and its stockholders, including the duty of care (directors must act in good faith, with the care of a prudent person, and in the best interest of the corporation), duty of loyalty (directors must refrain from self-dealing, usurping corporate opportunities and receiving improper personal benefits) and the duty of disclosure (directors must disclose all material information to their fellow directors and, when stockholder action is sought, to the corporation's stockholders). Our certificate of incorporation and bylaws provide that, as a director, you will be entitled to indemnification to the fullest extent permitted by the DGCL, and, upon your becoming a member of the Board, we will enter into the Company's standard form of indemnification agreement with you. We would be happy to arrange a conference with our outside counsel, Cooley LLP, if you have any questions about the indemnification agreement or your duties in general under Delaware law.

As a member of the Board, you will be reimbursed for any reasonable travel and other out-of-pocket expenses incurred in connection with your services on the Board. Please keep copies of all bills, receipts, or other written documentation of such reimbursable expenses and submit such documentation with your requests for reimbursement.

We look forward with enthusiasm to your service as a member of the Reneo Pharmaceuticals, Inc. Board of Directors. If the foregoing terms are acceptable to you, please sign one copy of this letter and return it to me.

Sincerely,

/s/ Niall O'Donnell
Niall O'Donnell
Interim CEO

AGREED TO AND ACCEPTED:

Signature: /s/ Lon Cardon
Lon Cardon

Date: Jan 30, 2019

Exhibit 21.1

SUBSIDIARIES OF RENEO PHARMACEUTICALS, INC.

Name of Subsidiary	Jurisdiction of Incorporation
Reneo Pharma Ltd	United Kingdom