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

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2025
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the transition period from _________ to _________**

Commission File Number: 001-36866

Summit Therapeutics Inc.
(Exact name of registrant as specified in its charter)

Delaware	**37-1979717**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
601 Brickell Key Drive, Suite 1000, Miami, FL	**33131**
(Address of principal executive offices)	(Zip Code)

305-203-2034
(Registrant's telephone number, including area code)
Not Applicable
(Former name or former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value per share	SMMT	The Nasdaq Stock Market LLC

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

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

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒
As of August 5, 2025, there were 742,846,672 shares of common stock, par value $0.01 per share, outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), regarding the future financial performance, business prospects and growth of Summit Therapeutics Inc., that involve substantial risks and uncertainties. All statements contained in this Quarterly Report on Form 10-Q, other than statements of historical fact, including statements regarding our strategy, future operations, future financial position, future revenues, projected costs, prospects, plans and objectives of management, are forward-looking statements. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “target,” “potential,” “will,” “would,” “could,” “should,” “continue,” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. The forward-looking statements in this Quarterly Report on Form 10-Q include, among other things, statements about:

- the ability to develop a successful product candidate under the License Agreement (as defined below);
- our ability to raise sufficient additional funds to make payments under the License Agreement, and fund ongoing operations and capital needs;
- the timing of and the ability to effectively execute clinical development of ivonescimab;
- the timing, costs, conduct and outcomes of clinical trials for any product candidates, including ivonescimab;
- our plans with respect to possible future collaborations and partnering arrangements;
- the potential benefits of possible future acquisitions or investments in other businesses, products or technologies;
- our plans to pursue research and development of other future product candidates;
- our estimates regarding the potential market opportunity and patient population for commercializing our product candidates, if approved for commercial use;
- our sales, marketing and distribution capabilities and strategy;
- our ability to establish and maintain arrangements with third parties, such as contract research organizations, contract manufacturing organizations, suppliers and distributors;
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining and protecting our intellectual property rights and defending against any intellectual property-related claims;
- our estimates regarding expenses, future revenues, capital requirements and needs for additional financing;
- the impact of government laws and regulations in the United States and in foreign countries;
- the timing and likelihood of regulatory filings and approvals for our product candidates;
- whether regulatory authorities determine that additional trials or data are necessary in order to accept a new drug application for review and/or approval;
- our competitive position;
- our planned use of our existing cash, cash equivalents and short-term investments;
- our ability to attract and retain key scientific or management personnel;
- the impact of public health epidemics, such as the novel coronavirus pandemic (“COVID-19”), natural disasters or geopolitical instability, the response to such events and the potential effects of such events on our business, financial results, supply chain and market;
- the outcome of pending, threatened, and future legal proceedings;
- our expectations regarding the anticipated timeline of our cash, cash equivalents and short-term investments, future financial performance and our ability to continue as a going concern;
- estimates regarding stock-based compensation;
- general economic conditions, including economic slowdowns or other adverse economic conditions, such as periods of increased or prolonged inflation; and
- other risks and uncertainties, including those described under the heading “Risk Factors” included in our most recent Annual Report on Form 10-K for the year ended December 31, 2024, filed with the U.S. Securities and Exchange Commission (“SEC”) on February 24, 2025 (the “Annual Report”).

We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements we make. We have included important factors in the cautionary statements included in this Quarterly Report on Form 10-Q, particularly in the “Risk Factors” and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections in this Quarterly Report on Form 10-Q, that we believe could cause actual results or events to differ materially from the forward-looking statements that we make. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments we may make.

You should read this Quarterly Report on Form 10-Q and the documents that we have filed as exhibits to this Quarterly Report on Form 10-Q completely and with the understanding that our actual future results may be materially different from what we expect. We do not assume any obligation to update any forward-looking statements.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

Summit Therapeutics Inc.
Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)
(Unaudited)

	June 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 297,872	$ 104,862
Restricted cash	319	325
Short-term investments	—	307,487
Prepaid expenses and other current assets	11,049	11,076
Total current assets	309,240	423,750
Non-current assets:		
Property and equipment, net	690	254
Operating lease right-of-use assets	5,552	7,144
Goodwill	2,039	1,864
Other assets	6,516	2,548
Total assets	$ 324,037	$ 435,560
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 22,982	$ 4,636
Accrued liabilities	26,148	19,554
Accrued compensation	6,592	11,977
Operating lease liabilities, current portion	3,118	3,765
Other current liabilities	1,485	1,797
Total current liabilities	60,325	41,729
Non-current liabilities:		
Operating lease liabilities, net of current portion	2,435	3,453
Other non-current liabilities	1,838	1,630
Total liabilities	64,598	46,812
Commitments and contingencies (Note 13)		
Stockholders' equity:		
Preferred stock, $0.01 par value, 20,000,000 shares authorized; none issued and outstanding at June 30, 2025 and December 31, 2024, respectively	—	—
Common stock, $0.01 par value: 1,000,000,000 shares authorized; 742,806,672 and 737,626,004 shares issued and outstanding at June 30, 2025 and December 31, 2024, respectively	7,428	7,376
Additional paid-in capital	2,097,957	1,598,230
Accumulated other comprehensive loss	(2,752)	(2,285)
Accumulated deficit	(1,843,194)	(1,214,573)
Total stockholders' equity	259,439	388,748
Total liabilities and stockholders' equity	$ 324,037	$ 435,560

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

Summit Therapeutics Inc.
Condensed Consolidated Statements of Operations and Comprehensive Loss
(in thousands, except share and per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	**2024**	**2025**	**2024**
Operating expenses:				
Research and development	$ 208,021	$ 30,798	259,286	61,671
Acquired in-process research and development	—	15,007	—	15,007
General and administrative	360,416	13,812	376,002	25,328
Total operating expenses	568,437	59,617	635,288	102,006
Other income, net	2,729	2,334	6,667	4,371
Interest expense	—	(3,102)	—	(6,223)
Net loss	$ (565,708)	$ (60,385)	$ (628,621)	$ (103,858)
Net loss per share:				
Basic and diluted	$ (0.76)	$ (0.09)	$ (0.85)	$ (0.15)
Weighted average common shares outstanding:				
Basic and diluted	742,615,007	707,904,643	740,358,044	704,844,946
Other comprehensive loss:				
Foreign currency translation adjustments	(189)	92	(334)	82
Reclassification of unrealized loss on short-term investments to other expense, net	—	3	—	3
Unrealized loss on short-term investments	—	(45)	(133)	(34)
Comprehensive loss	$ (565,897)	$ (60,335)	$ (629,088)	$ (103,807)

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

Summit Therapeutics Inc.
Condensed Consolidated Statements of Stockholders' Equity
(in thousands, except share data)
(Unaudited)

	Common Stock										
	Shares		Amount		Additional Paid-In Capital		Accumulated Other Comprehensive Loss		Accumulated Deficit		Total Stockholders' Equity
Balance at December 31, 2024	737,626,004	$	7,376	$	1,598,230	$	(2,285)	$	(1,214,573)	$	388,748
Issuance of common stock under stock purchase plans and exercise of stock options and warrants	3,983,386		40		7,637		—		—		7,677
Stock-based compensation	—		—		11,096		—		—		11,096
Net other comprehensive loss	—		—		—		(278)		—		(278)
Net loss	—		—		—		—		(62,913)		(62,913)
Balance at March 31, 2025	741,609,390	$	7,416	$	1,616,963	$	(2,563)	$	(1,277,486)	$	344,330
Issuance of common stock upon exercise of stock options and warrants	1,197,282		12		2,210		—		—		2,222
Stock-based compensation	—		—		478,784		—		—		478,784
Net other comprehensive loss	—		—		—		(189)		—		(189)
Net loss	—		—		—		—		(565,708)		(565,708)
Balance at June 30, 2025	742,806,672	$	7,428	$	2,097,957	$	(2,752)	$	(1,843,194)	$	259,439

	Common Stock										
	Shares		Amount		Additional Paid-In Capital		Accumulated Other Comprehensive Loss		Accumulated Deficit		Total Stockholders' Equity
Balance at December 31, 2023	701,660,053	$	7,017	$	1,066,381	$	(2,448)	$	(993,258)	$	77,692
Issuance of common stock under stock purchase plans and exercise of stock options	314,543		3		482		—		—		485
Stock-based compensation	—		—		9,507		—		—		9,507
Net other comprehensive loss	—		—		—		(1)				(1)
Net loss	—		—		—		—		(43,473)		(43,473)
Balance at March 31, 2024	701,974,596	$	7,020	$	1,076,370	$	(2,449)	$	(1,036,731)	$	44,210
Private placement of common stock	22,222,222		222		199,778		—		—		200,000
Issuance of common stock upon exercise of stock options and warrants	123,383		1		211		—		—		212
Stock-based compensation	—		—		11,088		—		—		11,088
Net other comprehensive loss	—		—		—		(50)		—		(50)
Net loss	—		—		—		—		(60,385)		(60,385)
Balance at June 30, 2024	724,320,201	$	7,243	$	1,287,447	$	(2,499)	$	(1,097,116)	$	195,075

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

Summit Therapeutics Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(Unaudited)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Cash flows from operating activities:		
Net loss	$ (628,621)	$ (103,858)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of discount on short-term investments	(3,989)	(2,007)
Unrealized foreign exchange gain	(463)	(115)
Depreciation	62	47
Stock-based compensation	489,880	20,595
Acquired in-process research and development expense	—	15,007
Change in operating assets and liabilities:		
Prepaid expenses and other current assets	(81)	1,045
Other assets	(3,672)	2,442
Accounts payable	18,287	667
Accrued liabilities	6,452	3,706
Other current liabilities	(342)	92
Other non-current liabilities	52	46
Accrued compensation	(5,407)	(551)
Operating lease right-of-use assets and lease liabilities, net	(70)	(252)
Net cash used in operating activities	(127,912)	(63,136)
Cash flows from investing activities:		
Purchases of property and equipment	(422)	(67)
Purchase of short-term investments	—	(362,995)
Maturities and sales of short-term investments	311,340	182,854
Net cash provided by (used in) investing activities	310,918	(180,208)
Cash flows from financing activities:		
Proceeds from the issuance of common stock via private placements, net of offering costs	—	200,000
Proceeds received related to the exercise of warrants	7,315	101
Proceeds received related to employee stock awards and purchase plans	2,584	596
Net cash provided by financing activities	9,899	200,697
Effect of exchange rate changes on cash	99	(24)
Increase (decrease) in cash, cash equivalents and restricted cash	193,004	(42,671)
Cash, cash equivalents and restricted cash at beginning of period	105,187	71,425
Cash, cash equivalents and restricted cash at end of period	$ 298,191	$ 28,754
Reconciliation of cash, cash equivalents and restricted cash:		
Cash and cash equivalents	$ 297,872	$ 28,434
Restricted cash	319	320
Cash, cash equivalents, and restricted cash	$ 298,191	$ 28,754
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest on related party promissory notes	$ —	$ 1,501
Supplemental Disclosure of Non-Cash Investing and Financing Activities:		
Upfront consideration to Akeso for Second Amendment (Note 4)	$ —	$ 15,007
Leased assets obtained in exchange for operating lease liabilities	$ —	$ 4,216
Unpaid amounts related to purchase of property, plant and equipment	$ 72	$ —

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

1. Organization

Summit Therapeutics Inc. ("we", "Summit" or the "Company") is a biopharmaceutical company focused on the discovery, development, and commercialization of patient-, physician-, caregiver- and societal-friendly medicinal therapies intended to improve quality of life, increase potential duration of life, and resolve serious unmet medical needs. The Company's pipeline of product candidates is designed with the goal to become the patient-friendly, new-era standard-of-care medicines, in the therapeutic area of oncology.

The Company's current lead development candidate is ivonescimab, a novel, potential first-in-class bispecific antibody intending to combine the effects of immunotherapy via a blockade of PD-1 with the anti-angiogenesis effects of an anti-VEGF compound into a single molecule. On December 5, 2022, the Company entered into a Collaboration and License Agreement (the "License Agreement") with Akeso, Inc. and its affiliates (collectively, "Akeso") pursuant to which the Company has in-licensed intellectual property related to ivonescimab, as further described in Note 4. Through the License Agreement, the Company obtained the rights to develop and commercialize ivonescimab in the United States, Canada, Europe, and Japan. The License Agreement and transaction closed in January 2023 following customary waiting periods. On June 3, 2024, the Company entered into an amendment to the License Agreement (the "Second Amendment") with Akeso to expand its territories covered under the License Agreement to also include the Latin America, Middle East and Africa regions (collectively, and as expanded, the "Licensed Territory"). The Company's operations are focused on the development of ivonescimab and other future activities, as the Company determines.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") and pursuant to the rules and regulations of the SEC. Accordingly, certain information and disclosures required by U.S. GAAP for complete consolidated financial statements are not included herein. All intercompany accounts and transactions have been eliminated in consolidation. The interim financial data as of June 30, 2025 and for the three and six months ended June 30, 2025 are unaudited; however, in the opinion of management, the interim data includes all adjustments, consisting of normal recurring adjustments, necessary for a fair statement of the results for the interim periods. The condensed consolidated balance sheet presented as of December 31, 2024 has been derived from the consolidated audited financial statements as of that date. The results of the period are not necessarily indicative of full year results or any other interim period. These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited financial statements and notes thereto of the Company which are included in the Company's Annual Report. The financial results of the Company's activities are reported in United States Dollars.

Certain reclassifications have been made to the prior years' financial statements to conform to current year presentation.

Use of Estimates

The preparation of these unaudited condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the unaudited condensed consolidated financial statements and the reported amounts of incomes and expenses during the reporting period. On an on-going basis, management evaluates its estimates and judgments, including those related to accrued research and development expenses, stock-based compensation, other long-lived assets and income taxes. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be 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. Actual results may differ from these estimates under different assumptions or conditions.

Liquidity and Capital Resources

During the three and six months ended June 30, 2025, the Company incurred a net loss of $565,708 and $628,621, respectively, and cash used in operating activities for the six months ended June 30, 2025 was $127,912. As of June 30, 2025, the Company had an accumulated deficit of $1,843,194 and cash and cash equivalents of $297,872. The Company expects to continue to generate operating losses for the foreseeable future.

The Company's cash and cash equivalents are not sufficient to fund the Company's planned operations for a period of at least one year from the date these unaudited condensed consolidated financial statements are issued.

Until the Company can generate substantial revenue and achieve profitability, the Company will need to raise additional capital to fund its ongoing operations and capital needs. The Company continues to evaluate options to further finance its operating cash needs for its product candidates through a combination of some, or all, of the following: equity and debt offerings, collaborations, strategic alliances, grants and clinical trial support from government entities, philanthropic, non-government and not-for-profit organizations, and marketing, distribution or licensing arrangements. There is no assurance, however, that additional financing will be available when needed or that management of the Company will be able to obtain financing on terms acceptable to the Company. If the Company is unable to obtain funding when required in the future, the Company could be required to delay or reduce research and development programs, product portfolio expansion, or future commercialization efforts, which could adversely affect its business prospects. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

The accompanying unaudited condensed consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of the business. The unaudited condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classifications of liabilities that might result from the outcome of this uncertainty.

2. Summary of Significant Accounting Policies and Recent Accounting Pronouncements

Significant Accounting Policies

There have been no significant changes to the Company's significant accounting policies used in the preparation of these unaudited condensed consolidated financial statements for the six months ended June 30, 2025 as compared with those discussed in Note 4 to the consolidated financial statements in the Company's Annual Report.

Recently Issued Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update "ASU" No. 2023-09, "Improvements to Income Tax Disclosures", which requires disclosure of disaggregated income taxes paid, prescribes standard categories for the components of the effective tax rate reconciliation, and modifies other income tax-related disclosures. ASU No. 2023-09 is effective for fiscal years beginning after December 15, 2024 and allows for adoption on a prospective basis, with a retrospective option. Early adoption is permitted. The Company adopted ASU 2023-09 on January 1, 2025. The adoption of ASU-2023-09 did not have a material impact on the Company's unaudited condensed consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses ("ASU 2024-03") which requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures. The guidance is to be applied prospectively, with the option for retrospective application and is effective for public business entities for fiscal years beginning after December 15, 2026, and interim periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact of the adoption of this standard on the Company's consolidated financial statements and related disclosures.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the U.S. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to the international tax framework and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. The Company is currently evaluating the impact of the OBBBA on the Company's consolidated financial statements and related disclosures.

Other recent authoritative guidance issued by the FASB (including technical corrections to the FASB ASC), the American Institute of Certified Public Accountants, and the SEC did not or are not expected to have a material impact on the Company's consolidated financial statements and related disclosures.

(in thousands, except share and per share data)

3. Segment Reporting

The Company’s chief operating decision makers (the “CODM function”), which are the Company's Co-Chief Executive Officers, Mr. Duggan and Dr. Zanganeh, and Chief Operating Officer and Chief Financial Officer, Mr. Soni, utilize consolidated net loss that is reported on the unaudited condensed consolidated statement of operations and comprehensive loss to make decisions about allocating resources and assessing performance for the entire Company. The CODM function approves key operating and strategic decisions, including key decisions in clinical development and clinical operating activities, entering into significant contracts, such as revenue contracts and collaboration agreements and approves the Company’s consolidated operating budget. The CODM function views the Company's operations and manages its business on a consolidated basis and as a single reportable operating segment. The CODM function is regularly provided with the following significant segment expenses:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Oncology clinical trial related costs	$ 67,824	$ 19,955	$ 104,187	$ 41,852
Acquired in-process research and development	—	15,007	—	15,007
Compensation related costs, excluding stock-based compensation	16,800	10,852	32,654	19,911
Stock-based compensation	478,784	11,088	489,880	20,595
Other expenses [1]	5,029	2,715	8,567	4,641
Total segment expenses	568,437	59,617	635,288	102,006
Other income, net	2,729	2,334	6,667	4,371
Interest expense	—	(3,102)	—	(6,223)
Net loss	$ (565,708)	$ (60,385)	$ (628,621)	$ (103,858)

[1] Other expenses include general and administrative expenses excluding compensation and stock-based compensation.

As of June 30, 2025 and December 31, 2024, substantially all of the Company’s long-lived assets are located in the United States.

4. Akeso License and Collaboration Agreement

On December 5, 2022, the Company entered into the License Agreement with Akeso pursuant to which the Company is in-licensing its breakthrough bispecific antibody, ivonescimab. The License Agreement and transaction closed in January 2023 following customary waiting periods.

Ivonescimab, known as AK112 in China and Australia, and also as SMT112 in the United States, Canada, Europe, and Japan, is a novel, potential first-in-class bispecific antibody intending to combine the effect of immunotherapy via a blockade of PD-1 with the anti-angiogenesis effects of an anti-VEGF into a single molecule. Ivonescimab was engineered to bring two well established oncology targeted mechanisms together. Ivonescimab is currently in clinical development and, pursuant to the terms of the License Agreement, Summit will design and conduct the clinical trial activities to support regulatory filings in the Licensed Territory that Summit will submit.

Pursuant to the terms of the License Agreement, Summit will have final decision-making authority with respect to clinical development strategy and execution in the Licensed Territory. For co-joined studies in which both Summit and Akeso participate, mutual agreement is required for material decisions; Summit retains the exclusive decision making with respect to participating in, and continuing its participation in, co-joined studies. Pursuant to the terms of the License Agreement, Summit will have final decision-making authority with respect to commercial strategy, pricing and reimbursement and other commercialization matters in the Licensed Territory. In connection with the License Agreement, the Company agreed to purchase a certain portion of drug substance and/or drug product for clinical and commercial supply and to enter into a supply agreement with Akeso. Summit is not assuming any liabilities (including contingent liabilities), acquiring any physical assets or trade names, or hiring or acquiring any employees from Akeso in connection with the License Agreement. Through the License Agreement, the Company obtained the rights to develop and commercialize ivonescimab in the United States, Canada, Europe, and Japan.

In exchange for the rights obtained, the Company made an upfront payment of $500,000 to Akeso, of which $274,900 was paid in cash and, pursuant to the License Agreement and Issuance Agreement, Akeso elected to receive 10,000,000 shares of our common stock in lieu of $25,100 in cash. The remaining $200,000 amount of the upfront payment was paid on March 6, 2023.

Effective June 3, 2024, the Company and Akeso entered into the Second Amendment to the License Agreement to expand the Company’s territories covered under the License Agreement to include the Latin America, Middle East and Africa regions. Pursuant to the Second Amendment, the Company paid an upfront payment to Akeso of $15,000 in the third quarter of 2024. Akeso will also be eligible to receive up to an additional $55,000 upon the achievement of certain commercial milestones. Except as specifically modified by the Second Amendment, the terms and conditions of the License Agreement remain in full force and effect.

The Company has accounted for the License Agreement and Second Amendment to acquire the rights to develop and commercialize ivonescimab as the acquisition of an asset. All of the consideration relates to ivonescimab and technological feasibility of the asset has not yet been established since ivonescimab is in clinical development. As such, the Company has expensed the consideration as acquired in-process research and development upon closing of the transaction in the unaudited condensed consolidated statement of operations and comprehensive loss. Acquired in-process research and development expense for the three and six months ended June 30, 2025 was nil. Acquired in-process research and development expense for the three and six months ended June 30, 2024 was $15,007, which is comprised of the upfront payment of $15,000 and immaterial transaction costs.

In addition to the payments already made to Akeso, under the License Agreement and Second Amendment, there are additional potential milestone payments of up to $4,555,000, as Akeso will be eligible to receive regulatory milestones of up to $1,050,000 and commercial milestones of up to $3,505,000. In addition, Akeso will be eligible to receive low double-digit royalties on net sales.

(in thousands, except share and per share data)

5. Other Income, net

The following table sets forth the components of other income:

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Foreign currency losses	$ (199)	$ (244)	$ (122)	$ (36)
Investment income[1]	2,981	2,578	6,842	4,407
Other expense	(53)	—	(53)	—
Other income, net	$ 2,729	$ 2,334	$ 6,667	$ 4,371

[1] Investment income relates to the Company's money market funds and short-term investments in U.S. treasury securities. Refer to Note 7 for details.

6. Net Loss per Share

The following table sets forth the computation of basic and diluted net loss per share:

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Net loss	$ (565,708)	$ (60,385)	$ (628,621)	$ (103,858)
Basic and diluted weighted average number of shares of common stock outstanding	742,615,007	707,904,643	740,358,044	704,844,946
Basic net loss per share	$ (0.76)	$ (0.09)	$ (0.85)	$ (0.15)
Diluted net loss per share	$ (0.76)	$ (0.09)	$ (0.85)	$ (0.15)

Basic net loss per share is computed by dividing the net loss by the weighted-average number of common shares outstanding for the period. Diluted net loss per share is computed by dividing the diluted net loss by the weighted-average number of common shares outstanding for the period, including potentially dilutive common shares. Since the Company was in a loss position for all periods presented, basic net loss per share is the same as diluted net loss per share for all periods, as the inclusion of all potential common share equivalents outstanding would have been anti-dilutive.

The following potentially dilutive securities were excluded from the computation of the diluted net loss per share of common stock for the periods presented because their effect would have been anti-dilutive:

	June 30, 2025	June 30, 2024
Options to purchase common stock	114,506,229	59,485,356
Warrants	—	4,945,669
Shares expected to be purchased under employee stock purchase plan	66,324	121,505
Total	114,572,553	64,552,530

7. Fair Value Measurements and Short-Term Investments

In accordance with the provisions of fair value accounting, a fair value measurement assumes that the transaction to sell an asset or transfer a liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability and defines fair value based on the exit price model.

The fair value measurement guidance establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The guidance describes three levels of inputs that may be used to measure fair value:

(in thousands, except share and per share data)

Level 1
Quoted prices in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2
Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include debt securities with quoted prices that are traded less frequently than exchange-traded instruments or securities or derivative contracts that are valued using a pricing model with inputs that are observable in the market or can be derived principally from or corroborated by observable market data.

Level 3
Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the Company categorizes such assets and liabilities based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset.

The following tables sets forth the Company's fair value hierarchy for its assets and liabilities that are measured at fair value on a recurring basis as of June 30, 2025 and December 31, 2024:

		June 30, 2025				
	Fair Value Hierarchy Level	**Amortized Cost**	**Unrealized Gain**	**Unrealized (Loss)**	**Credit (Loss)**	**Fair Value**
Financial assets included within cash and cash equivalents:						
Money market funds	Level 1	$ 293,607	$ —	$ —	$ —	$ 293,607
Total		$ 293,607	$ —	$ —	$ —	$ 293,607

		December 31, 2024				
	Fair Value Hierarchy Level	**Amortized Cost**	**Unrealized Gain**	**Unrealized (Loss)**	**Credit (Loss)**	**Fair Value**
Financial assets included within cash and cash equivalents:						
Money market funds	Level 1	$ 88,599	$ —	$ —	$ —	$ 88,599
Financial assets included within short-term investments:						
U.S. Government treasury bills	Level 2	307,387	100	—	—	307,487
Total		$ 395,986	$ 100	$ —	$ —	$ 396,086

The tables above do not include cash at June 30, 2025 and December 31, 2024 of $4,265 and $16,263, respectively.

The Company believes that the carrying amounts of prepaid expenses, other current assets, accounts payable, and accrued expenses approximates their fair values due to the short-term nature of those instruments.

Realized gains on short-term investments for the three and six months ended June 30, 2025 and 2024 were immaterial, respectively.

8. Research and Development Prepaid Expenses and Accrued Liabilities

Included within prepaid expenses and other current assets at June 30, 2025 and December 31, 2024 is $8,155 and $8,338, respectively, of prepayments relating to research and development expenditures. Included within accrued liabilities at June 30, 2025 and December 31, 2024 is $24,584 and $17,441, respectively, relating to research and development expenditures.
These amounts are determined based on the estimated costs to complete each study or activity related to the ongoing clinical trials for ivonescimab, the estimation of the current stage of completion and the invoices received, as well as predetermined milestones which are not reflective of the current stage of development for prepaid expenses. However, accrued liabilities increase as the activities progress. The key sensitivity is the estimated current stage of completion of each study or activity, which is based on information received from the supplier and the Company's operational knowledge of the work completed under those contracts.

9. Promissory Note Payable to Related Parties

December 2022 Promissory Notes

On December 6, 2022, the Company entered into a Note Purchase Agreement (the "Note Purchase Agreement"), with Mr. Duggan and Dr. Zanganeh, pursuant to which the Company agreed to sell to each of Mr. Duggan and Dr. Zanganeh unsecured promissory notes in the aggregate amount of $520,000. Pursuant to the Note Purchase Agreement, the Company issued to Mr. Duggan and Dr. Zanganeh unsecured promissory notes in the amount of $400,000 (the "Duggan February Note") and $20,000 (the "Zanganeh Note"), respectively, which matured and became due on February 15, 2023 and an unsecured promissory note to Mr. Duggan in the amount of $100,000 (the "Duggan September Note" and together with the Duggan February Note and the Zanganeh Note, the "December 2022 Notes"), which was originally due on September 15, 2023. The maturity dates of the December 2022 Notes could have been extended one or more times at the Company's election, but in no event to a date later than September 6, 2024. In addition, if the Company consummated a public offering, then upon the later to occur of (i) five business days after the Company receives the net cash proceeds therefrom or (ii) May 15, 2023, the Duggan February Note and the Zanganeh Note were to be prepaid by an amount equal to the lesser of (a) 100% of the amount of the net proceeds of such offering and (b) the outstanding principal amount on such Notes.

On January 19, 2023, the Company provided notice to extend the term of the Duggan February Note and Duggan September Note to a maturity date of September 6, 2024. Furthermore, on January 19, 2023, the Company and Mr. Duggan rectified the Duggan February Note and Duggan September Note in order to correctly reflect the parties' intent that the Company may only prepay (i) the Duggan February Note following the completion of a public rights offering to be conducted by Summit in the approximate amount of $500,000, or a similar capital raise, in an amount equal to the lesser of (x) the net proceeds of the rights offering or such capital raise or (y) the full amount outstanding of the Duggan February Note, and (ii) Duggan September Note following the completion of a capital raising transaction subsequent to the rights offering in an amount equal to the lesser of (A) the net proceeds of such capital raise or (B) the full amount outstanding of the Duggan September Note. Following the issuance of the two new Promissory Notes (the "Revised Duggan February Note" and the "Revised Duggan September Note", respectively), the Duggan February Note and Duggan September Note were marked as "cancelled" on their face and replaced in their entirety by the Revised Duggan February Note and the Revised Duggan September Note (together with the Zanganeh Note, the "Notes").

On February 15, 2023, the $20,000 Zanganeh Note matured and the Company repaid the outstanding principal balance. In connection with the closing of the rights offering in 2023 (the "2023 Rights Offering"), the $400,000 Revised Duggan February Note matured and became due, and the Company repaid all principal and accrued interest thereunder using a combination of a portion of the cash proceeds from the 2023 Rights Offering and the extinguishment of a portion of the amount due equal to the subscription price of shares subscribed by Mr. Duggan in the 2023 Rights Offering.

The Notes accrued interest at an initial rate of 7.5%. All interest on the Notes was paid on the date of signing for the period through February 15, 2023. Such prepaid interest was paid in a number of shares of the Company's common stock, par value $0.01 ("Common Stock") equal to the dollar amount of such prepaid interest, divided by $0.7913 (the consolidated closing bid price immediately preceding the time the Company entered into the Note Purchase Agreement, plus $0.01), which was 9,720,291 shares. For all applicable periods following February 15, 2023, interest accrued on the outstanding principal balance of the Notes at the U.S. prime interest rate, as reported in the *Wall Street Journal,* plus 50 basis points, as adjusted monthly, for three months immediately following February 15, 2023, and thereafter at the U.S. prime rate plus 300 basis points, as adjusted monthly. Accrued interest was paid in cash, quarterly in arrears, on each of March 31, June 30, September 30 and December 31. Debt issuance costs associated with the Notes were $44 and were capitalized as part of the carrying value of the promissory notes payable to related parties.

On February 17, 2024, the Revised Duggan February Note was amended to extend the maturity date from September 6, 2024 to April 1, 2025. For all applicable periods commencing February 17, 2024, interest accrued on the outstanding principal balance at the greater of 12% or the U.S. prime interest rate, as reported in the *Wall Street Journal* plus 350 basis points, as adjusted monthly, and compounded quarterly. Interest was paid upon maturity of the loan. The debt discount was amortized to interest expense using an effective interest rate method. The effective interest rate of the Revised Duggan February Note and Zanganeh Note was 8.9% and the effective interest rate of the Revised Duggan September Note was 11.3%.

On September 16, 2024, the Company used some of the proceeds raised from the September 2024 Private Placement (see Note 10 for further details) to repay $75,500 in principal on the Revised Duggan September Note. On October 1, 2024, the Company repaid the remaining outstanding balance of the Revised Duggan September Note in full, resulting in principal payments of $24,500 and accrued cash interest of $7,305.

As of June 30, 2025 and December 31, 2024, the Company had no debt. During the three and six months ended June 30, 2025, the Company incurred no interest expense. During the three and six months ended June 30, 2024, the Company incurred interest expense of $3,102 and $6,223, respectively, related to the Revised Duggan September Note.

10. Stockholders' Equity

Preferred Stock

As of June 30, 2025 and December 31, 2024, the Company had 20,000,000 shares of preferred stock, par value $0.01, authorized and no shares issued and outstanding.

Common Stock

As of June 30, 2025 and December 31, 2024, the Company had authorized 1,000,000,000 shares of Common Stock.

June 2024 Private Investment in Public Equity (PIPE)

On June 3, 2024, the Company entered into a securities purchase agreement (the "Purchase Agreement") with 667, L.P. and Baker Brothers Life Sciences, L.P., affiliates of Baker Bros. Advisors, L.P. (the "Investors"), whereby the Company sold 22,222,222 shares of Common Stock, at a purchase price of $9.00 per share, for an aggregate purchase price of approximately $200,000 in a private placement.

In connection with the Purchase Agreement, the Company entered into a Registration Rights Agreement with the Investors (the "Registration Rights Agreement"). The Registration Rights Agreement provides, among other things, that the Company will as soon as reasonably practicable, file with the SEC a registration statement registering the resale of the Shares. The Company agreed to use its reasonable best efforts to have such registration statement declared effective as soon as practicable after the filing thereof. The Company filed the registration statement on August 6, 2024, which was automatically effective upon filing.

September 2024 PIPE
On September 11, 2024, the Company entered into securities purchase agreements (the "September 2024 Purchase Agreements") with multiple leading biotech institutional investors and individual accredited investors (the "September 2024

Private Placement"). In connection with the September 2024 Private Placement, the Company sold an aggregate of 10,352,418 shares of the Company's Common Stock, at purchase price of $22.70 per share (the closing price on September 11, 2024), for aggregate gross proceeds to the Company of approximately $235,000, with offering costs of $140.

All of the Company's Section 16 officers participated in the capital raise. A total of $79,000 was raised by the Company's Co-Chief Executive Officer ("CEO"), Chairman of the Board and majority stockholder, its Co-CEO and the President and member of the Company's Board of Directors (the "Board"), its Chief Operating Officer ("COO"), Chief Financial Officer ("CFO"), and member of the Board, its Chief Accounting Officer ("CAO"), and a member of the Board of Directors, who invested via a controlled entity. The remaining $156,000 was raised with multiple leading biotech institutional investors. Refer to Note 12 Related Party Transactions for further details regarding related parties' participation.

On September 11, 2024, in connection with the September 2024 Purchase Agreements, the Company entered into Registration Rights Agreements with the Investors (the "September 2024 Registration Rights Agreements"). The September 2024 Registration Rights Agreements provide, among other things, that the Company will as soon as reasonably practicable file with the SEC a registration statement registering the resale of the Shares. The Company filed the registration statement on September 19, 2024, which was automatically effective upon filing.

At-the-Market Offering (ATM Offering)

On May 13, 2024, the Company entered into an at-the-market ("ATM") sales agreement (the "ATM Agreement") pursuant to which the Company may, subject to the terms and conditions set forth in the agreement offer and sell, from time to time, through or to the agents, acting as agents or principal, shares of the Company's Common Stock, having an aggregate offering price of up to $90,000.

As of June 30, 2025, the Company sold 1,807,093 shares of common stock under the ATM Agreement at a weighted-average price of $24.47 per share, for gross proceeds of $44,223. The Company received net proceeds of $43,033, which was net of commissions and other offering costs of approximately $1,190. The remaining availability under the ATM Agreement as of June 30, 2025 was approximately $45,777. The Company plans to use the net proceeds from this offering for working capital and general corporate purposes.

Warrants

As of June 30, 2025 and December 31, 2024, the Company had outstanding and exercisable warrants of nil and 4,629,988, respectively. The outstanding warrants as of December 31, 2024 had a weighted average exercise price of $1.58. During the three and six months ended June 30, 2025, warrants of 1,048,834 and 4,629,988 respectively with a weighted average exercise price of $1.58 were exercised.

11. Stock-Based Compensation

The Company currently grants stock options to employees and directors under the 2020 Stock Incentive Plan (the "2020 Plan") and formerly, the Company granted stock options under the 2016 Long Term Incentive Plan. The 2020 Plan is administered by the Compensation Committee of the Company's Board of Directors. The 2020 Plan is intended to attract and retain employees and directors and provide an incentive for these individuals to assist the Company to achieve long-range performance goals and to enable these individuals to participate in the long-term growth of the Company.

Based on the provisions of the 2020 Plan, the number of shares available for issuance under the 2020 Plan increased by 6,400,000 shares on January 1, 2025.

On May 3, 2024, the Board adopted the 2024 Inducement Pool (the "Inducement Pool"), which mirrors the terms of the 2020 Plan, with a total of 2,000,000 shares of common stock reserved for issuance under the Inducement Pool. Effective January 22, 2025, the number of shares of common stock available under the Inducement Pool increased by 2,000,000 shares.

(in thousands, except share and per share data)

The following table summarizes the Company’s stock option activity for the six months ended June 30, 2025.

	Number of Options		Weighted average exercise price	Weighted average remaining contractual term
Outstanding at December 31, 2024 *	108,136,310	$	2.34	8.6
Granted *	7,575,921		19.06	
Forfeited	(631,050)		9.40	
Exercised	(474,952)		3.73	
Outstanding at June 30, 2025	114,606,229		3.40	8.2
Vested and expected to vest as of June 30, 2025	107,743,839	$	3.36	8.2
Exercisable at June 30, 2025	46,882,326	$	2.36	7.8

* The stock option activity in the table above includes performance-based options outstanding as of December 31, 2024 of 48,220,320 of which 39,013,976 options were unvested and converted to time-based vesting. During the three months ended March 31, 2025, the company granted 5,475,000 performance-based options which were modified to time-based vesting during the three months ended June 30, 2025.

During the second quarter of 2025, the Compensation Committee of the Board of Directors approved a modification to the Company's outstanding unvested performance-based stock option awards for certain employees and executives that will require only the service-based vesting requirements to continue to be satisfied in order to become fully vested, subject to employee consent. The Company accounted for this change as a Type III modification (improbable-to-probable) in accordance with the requirements of Accounting Standards Codification Topic 718. As a result, 44,488,976 options were valued on the modification date. The Company will recognize the newly assessed measurement date fair value of the awards as compensation expense over the remaining vesting period. During the three months ended June 30, 2025, the Company recognized expense of $466,641 associated with the modification. As of June 30, 2025, the unrecognized compensation cost associated with the modification was $454,609 and is expected to be expensed over a weighted-average recognition period of approximately 2.0 years.

The total stock-based compensation expense included in the Company’s unaudited condensed consolidated statements of operations and comprehensive loss was as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2025		2024		2025		2024	
Research and development	$	128,577	$	3,513	$	132,636	$	5,927
General and administrative		350,207		7,575		357,244		14,668
Total stock-based compensation expense	$	478,784	$	11,088	$	489,880	$	20,595

The following summarizes stock-based compensation expense associated with each of the Company’s stock-based compensation arrangements:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2025		2024		2025		2024	
Time-based stock options	$	478,553	$	9,696	$	489,416	$	17,811
Performance-based stock options		—		1,301		—		2,622
Employee stock purchase plan		231		91		464		162
Total stock-based compensation expense	$	478,784	$	11,088	$	489,880	$	20,595

12. Related Party Transactions

Leases

July 25, 2022 First Amendment to Sublease Agreement with Maky Zanganeh and Associates, Inc.

On July 25, 2022 the Company entered into a first amendment, dated July 19, 2022, to its existing sublease agreement with Maky Zanganeh and Associates, Inc. ("MZA"), an entity owned by Maky Zanganeh, consisting of 4,500 square feet of office space at 2882 Sand Hill Road, Menlo Park, California. The existing sublease term, which was set to expire on September 30, 2022, was extended for a period of thirty-nine months from October 1, 2022 through December 31, 2025. The rent payable under the terms of the sublease is equivalent to the proportionate share of the net payable by MZA to the third-party landlord, based on the square footage of office space sublet by the Company, and no mark-up has been applied. The agreement was further amended to include additional space, as noted below under the August 2, 2024 Third Amendment to Sublease Agreement with Maky Zanganeh and Associates, Inc. During the three and six months ended June 30, 2025, payments of $207 and $414, respectively, were made pursuant to the first and third amendments to the Sublease Agreement. During the three and six months ended June 30, 2024, payments of $195 and $390, respectively, were made pursuant to the first amendment to the Sublease Agreement.

July 29, 2022 Second Amendment to Sublease Agreement with Maky Zanganeh and Associates, Inc.

On July 29, 2022, the Company entered into a second amendment to its existing sublease agreement with MZA, described above. The second amendment was effective as of August 1, 2022 and expires on December 31, 2025. The second amendment includes an additional 1,277 square feet of office space at 2882 Sand Hill Road, Menlo Park, California. The rent payable under the terms of the sublease is equivalent to the proportionate share of the net payable by MZA to the third-party landlord, based on the square footage of office space sublet by the Company, and no mark-up has been applied. During the three and six months ended June 30, 2025, payments of $57 and $114, were made pursuant to the second amendment to the Sublease Agreement. During the three and six months ended June 30, 2024, payments of $55 and $110, were made pursuant to the second amendment to the Sublease Agreement.

April 1, 2024 Miami Sublease Agreements

On April 1, 2024, the Company entered into two sublease agreements of its Miami headquarters location, one with Genius 24C Inc. ("Genius"), an affiliate of the Company's Co-CEO, Robert W. Duggan (the "Genius Sublease Agreement") and one with Duggan Investments Research LLC ("Investments Research"), also an affiliate of the Company's Co-CEO, Robert W. Duggan (the "Investments Research Sublease Agreement"). Pursuant to the Genius Sublease Agreement, Genius sublet from the Company 848 square feet of office space in the Miami HQ for a sixty-two month term for total rental payments of approximately $446. Pursuant to the Investments Research Sublease Agreement, Investments Research sublet from the Company 848 square feet of office space in the Miami HQ for a sixty-two month term for total rental payments of approximately $446. For the three and six months ended June 30, 2025, the Company recognized sublease income of $46 and $94, respectively, which was recorded net of operating lease expenses. For the three and six months ended June 30, 2024, the Company recognized $48 of sublease income recorded net of operating lease expense and $48 recognized in other receivables on the unaudited condensed consolidated balance sheet as of June 30, 2024.

August 2, 2024 Third Amendment to Sublease Agreement with Maky Zanganeh and Associates, Inc.

On August 2, 2024, the Company entered into a third amendment to its existing sublease agreement with MZA. The third amendment was effective August 1, 2024 and included an additional space of 145 square feet of office space located at 2882 Sand Hill Road, Menlo Park, California. The Company continues to be obligated to pay its proportionate share of the net payable by MZA to the third-party landlord, which is revised to 93.6% as of the effective date, based on the square footage of office space sublet by the landlord.

Promissory Note Payable to Related Parties

Refer to Note 9 for disclosure of the promissory note payable to related parties issued December 6, 2022 and fully repaid as of October 1, 2024.

Akeso Agreements

Upon the closing of the License Agreement, the Board appointed Dr. Yu (Michelle) Xia to serve as a member of the Board pursuant to the terms of the License Agreement. Dr. Xia is the founder of Akeso, and has been the chairwoman, president and CEO of Akeso since its inception in 2012. Furthermore, in connection with the License Agreement, the Company also entered into a Supply Agreement with Akeso, pursuant to which Summit agreed to purchase a certain portion of drug substance for clinical and commercial supply (the “Supply Agreement”). Refer to Note 4 for details on the License Agreement and Second Amendment. In addition to the License and Second Amendment and supply agreements, the Company also entered into various clinical services agreements with Akeso. During the three and six months ended June 30, 2025, the Company paid $14,000 and $18,743 to Akeso. For the three and six months ended June 30, 2024, the Company paid $944 and $10,125 to Akeso. As of June 30, 2025 and December 31, 2024, the Company included in accrued expenses, related to Akeso, $3,366 and $3,956, respectively.

Private Placements

September 2024 PIPE

On September 11, 2024, the Company's Section 16 officers participated in the “September 2024 Purchase Agreements” along with multiple leading biotech institutional investors, whereby the Company sold an aggregate of 10,352,418 shares of the Company’s Common Stock, at a price per share of $22.70, which was the closing price of the Common Stock on September 11, 2024, for an aggregate gross proceeds to the Company of approximately $235,000.

The Company’s Co-CEO and Chairman of the Board, Mr. Robert W. Duggan, purchased 3,325,991 shares for an aggregate purchase price of $75,500; Co-CEO, President and member of its Board, Dr. Mahkam Zanganeh, purchased 44,052 shares for an aggregate purchase price of $1,000; COO and CFO, Manmeet S. Soni, purchased 44,052 shares for an aggregate purchase price of $1,000, and member of the Board, Jeff Huber, through his controlled entity, Caspian Capital LLC, purchased 44,052 shares for an aggregate purchase price of $1,000. The Company sold a total of 3,458,147 shares of its Common Stock to the aforementioned Section 16 officers for an aggregate purchase price of $78,500.

The Company used some of the proceeds raised from the September 2024 Private Placement to repay $75,500 in principal on the Duggan September Note. Refer to Note 9 for additional details regarding the promissory note payable to a related party.

Warrants Exercise

In March 2025, Mr. Duggan, our Co-Chief Executive Officer, exercised 2,936,221 of the 3,985,055 warrants which he received in connection with a private placement completed by the Company with Mr. Duggan and other investors on December 24, 2019, resulting in the purchase of 2,936,221 shares of common stock at an exercise price of $1.58.

On April 8, 2025, Mr. Duggan completed the exercise of the remaining warrants received in the December 24, 2019 private placement, resulting in the purchase of 1,048,834 shares of common stock at an exercise price of $1.58.

Professional Services

During the six months ended June 30, 2025, the Company engaged the law firm Wilson Sonsini Goodrich & Rosati P.C. (“WSGR”), where Mr. Kenneth A. Clark, a member of the Board, is a partner. Payments to be made by the Company to WSGR were approved by the Audit Committee in accordance with its Related Party Transaction Policy. For the three and six months ended June 30, 2025, the Company incurred expenses for legal services rendered by WSGR totaling approximately $0.4 million and $0.6 million, respectively.

13. Commitments and Contingencies

Lease Commitments

During the three months ended June 30, 2025, the Company entered into a non-cancelable sub-sublease for 36,406 square feet of office space in Palo Alto, California. As of June 30, 2025, the Company had undiscounted operating lease commitments of $22,336 that have not yet commenced. The operating lease is expected to commence during the first quarter of 2026, with a lease term of 94 months.

Other Commitments

The Company enters into contracts in the normal course of business with various third parties for clinical trials, preclinical research studies and testing, manufacturing and other services and products for operating purposes. Most contracts provide for termination upon notice, and therefore are cancellable contracts. The majority of these commitments are due within one year. There have been no material changes to the Company's other contractual commitments that were disclosed in the Company's Annual Report.

The Company has certain commitments under its agreements with Akeso. The License Agreement also contains certain manufacturing and purchase commitments. As of June 30, 2025, the Company is unable to estimate the amount, timing or likelihood of achieving the milestones, making future product sales or assessing estimated forecasts for manufacturing and supplied materials which these contingent payment obligations relate to.

Indemnifications

The Company's certificate of incorporation provides that it will indemnify the directors and officers to the fullest extent permitted by Delaware law. In addition, the Company has entered into indemnification agreements with all of the directors and executive officers. These indemnification agreements may require the Company, among other things, to indemnify each such director or executive officer for some expenses, including attorneys' fees, judgments, fines, and settlement amounts incurred by him or her in any action or proceeding arising out of his or her service as one of the Company's directors or executive officers. The Company believes the fair value for these indemnification obligations is minimal. Accordingly, the Company has not recognized any liabilities relating to these obligations as of June 30, 2025 and December 31, 2024.

Legal Proceedings

Litigation Relating to the December 2022 Notes Entered into in Connection with the License Agreement

On March 17, 2025, Rainaldi Revocable Trust, a purported stockholder of the Company, filed a derivative lawsuit in the Delaware Court of Chancery against certain of the Company's current and former directors and the Company, solely as a nominal defendant, concerning the December 2022 Notes entered into by the Company, Mr. Duggan and Dr. Zanganeh in connection with the License Agreement. The suit asserts claims for breach of fiduciary duty and unjust enrichment and seeks, among other things, unspecified damages, rescission of the shares that Mr. Duggan and Dr. Zanganeh received as part of prepaid interest payments under the December 2022 Notes, as well as attorneys' fees and costs. Defendants' motion to dismiss the complaint was filed on May 16, 2025 (the "Motion to Dismiss"). Plaintiff filed a motion to certify certain constitutional questions to the Delaware Supreme Court on May 29, 2025 (the "Motion to Certify"). Defendants agreed to a stipulation staying briefing on the Motion to Certify and the Motion to Dismiss pending the Delaware Supreme Court's decision in another case involving substantially the same constitutional questions. On June 18, 2025, the Court granted such stipulation. Defendants believe that Plaintiff's allegations are without merit and plan to vigorously defend against its claims.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and related notes included herein and our audited consolidated financial statements and related notes for the year ended December 31, 2024 included in our Annual Report. Some of the information contained in this discussion and analysis or set forth elsewhere in this filing, including information with respect to our plans and strategy for our business, includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve risks and uncertainties. All statements other than statements relating to historical matters including statements to the effect that we "believe," "expect," "anticipate," "plan," "target," "intend" and similar expressions should be considered forward-looking statements. As a result of many factors, including those factors set forth in the risks identified in the "Risk Factors" section of our other filings with the SEC, our actual results could differ materially from the results, performance or achievements expressed in or implied by these forward-looking statements.

Company Overview

Summit Therapeutics Inc. ("we", "Summit" or the "Company") is a biopharmaceutical company focused on the discovery, development, and commercialization of patient-, physician-, caregiver- and societal-friendly medicinal therapies intended to improve quality of life, increase potential duration of life, and resolve serious unmet medical needs. The Company's pipeline of product candidates is designed with the goal to become the patient-friendly, new-era standard-of-care medicines, in the therapeutic area of oncology.

The Company's current lead development candidate is ivonescimab, a novel, potential first-in-class bispecific antibody intending to combine the effects of immunotherapy via a blockade of PD-1 with the anti-angiogenesis effects of an anti-VEGF compound into a single molecule. On December 5, 2022, the Company entered into the License Agreement with Akeso pursuant to which the Company has in-licensed intellectual property rights related to ivonescimab. Through the License Agreement, the Company obtained the rights to develop and commercialize ivonescimab in the United States, Canada, Europe, and Japan. The License Agreement and transaction closed in January 2023 following customary waiting periods. On June 3, 2024, the Company entered into the Second Amendment with Akeso to expand its territories covered under the License Agreement to also include Latin America, including Mexico and all countries in Central America and South America, the Middle East and Africa. The Company's operations are focused on the development of ivonescimab and other future activities, as the Company determines.

The Company has begun its development for ivonescimab in non-small cell lung cancer ("NSCLC"), specifically conducting Phase III clinical trials in the following proposed indications:

(a) ivonescimab combined with chemotherapy in patients with epidermal growth factor receptor ("EGFR")-mutated, locally advanced or metastatic non-squamous NSCLC who have progressed after treatment with a third-generation EGFR tyrosine kinase inhibitor ("TKI") ("HARMONi"); and

(b) ivonescimab combined with chemotherapy in first-line metastatic NSCLC patients ("HARMONi-3").

(c) ivonescimab monotherapy in first-line metastatic NSCLC patients with high PD-L1 expression ("HARMONi-7").

In October 2024, the Company completed enrollment in its HARMONi clinical trial. In May 2025, we announced topline results from our multiregional, double-blinded, placebo-controlled, Phase III study HARMONi. At the prespecified primary data analysis, ivonescimab in combination with chemotherapy demonstrated a statistically significant and clinically meaningful improvement in progression-free survival (PFS), with a hazard ratio of 0.52 (95% CI: 0.41 – 0.66; p<0.00001). PFS was measured by blinded independent central radiology review committee (BICR) compared to placebo in combination with chemotherapy.

A clinically meaningful hazard ratio was observed in both Asia and ex-Asia sub-populations. The primary analysis demonstrated the consistency of the magnitude of the PFS benefit between patients randomized in Asia and ex-Asia, as well as the consistency in a single-region study (HARMONi-A) with this multiregional study. Ivonescimab in combination with chemotherapy showed a positive trend in overall survival (OS) in the primary analysis without achieving a statistically significant benefit with a hazard ratio of 0.79 (95% CI: 0.62 – 1.01; p=0.057). This trend provides further support for its use in 2L+ EGFRm NSCLC, a setting where high unmet need continues to exist with limited approved options in the United States and other western territories. Currently there are no current FDA-approved regimens that have demonstrated a statistically significant overall survival benefit in this patient setting. Both Asian and North American patients demonstrated a positive trend in overall survival. The results of the primary analysis in this multiregional study were consistent with that of the single-region HARMONi-A study, which demonstrated an overall survival hazard ratio of 0.80 at 52% data maturity in a similar patient population.

The safety profile of ivonescimab in combination with chemotherapy was acceptable and manageable in the context of the observed clinical benefit. Based on the results of the HARMONi clinical trial, Summit, at present time, intends to file a Biologics License Application (BLA) in order to seek approval for ivonescimab plus chemotherapy in this setting. Based on discussions with the United States Food & Drug Administration (FDA), under our determination and subject to our review, Summit will consider the timing of the filing of this BLA.

A more complete data presentation from HARMONi is intended to be shared at a future major medical conference.

Akeso Collaboration and License Agreement

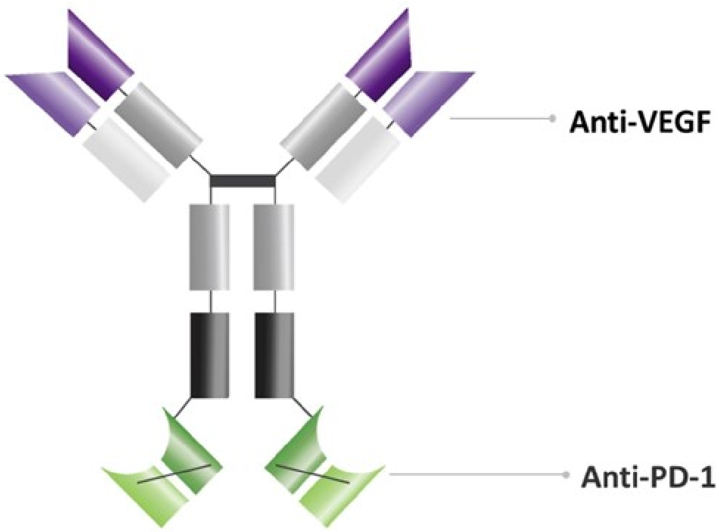
Pursuant to the License Agreement with Akeso, the Company received the rights to develop and commercialize ivonescimab in the Licensed Territory. Akeso will retain development and commercialization rights for the rest of the world excluding the Licensed Territory. In exchange for these rights, Summit made an upfront payment during the first quarter of 2023 comprised of $474.9 million cash and the issuance of 10 million shares of Company common stock in lieu of $25.1 million cash pursuant to a share transfer agreement. Furthermore, on June 3, 2024, the Company entered into an amendment to the License Agreement with Akeso to expand its territories covered under the License Agreement to also include the Latin America, Middle East and Africa regions for which Summit paid an upfront payment of $15.0 million cash in the third quarter of 2024. In addition, the Company may also pay Akeso (a) milestone payments tied to achievement of regulatory approval of ivonescimab with various regulatory authorities in the Licensed Territory, (b) milestone payments tied to achievement of annual revenue from ivonescimab in the Licensed Territory and (c) royalty payments equal to low-double-digit percentage of annual revenues from ivonescimab in the Licensed Territory. In connection with the License Agreement, the Company agreed to purchase a certain portion of drug substance and/or drug product for clinical and commercial supply and to enter into a supply agreement with Akeso.

Pursuant to the terms of the License Agreement, Summit has final decision-making authority with respect to commercial strategy, pricing and reimbursement and other commercialization matters in the Licensed Territory.

Summit has not assumed any liabilities (including contingent liabilities), nor acquired any physical assets or trade names, or hired or acquired any employees from Akeso in connection with the License Agreement.

Ivonescimab

Ivonescimab is a novel potential first-in-class PD-1 / VEGF bispecific antibody, believed to be the most advanced in clinical development in the Licensed Territory. Engineered with Akeso's unique Tetrabody technology, ivonescimab, as a single molecule, blocks programmed cell death protein 1 ("PD-1") from binding to PD-L1 and PD-L2, and blocks vascular endothelial growth factor ("VEGF") from binding to VEGF receptors. Ivonescimab is designed to potentially allow cooperative binding of the intended targets, such that the binding of PD-1 increases the binding affinity of VEGF. In view of the co-expression of VEGF and PD-1 in the tumor micro-environment ("TME"), ivonescimab may block these two pathways more effectively and enhance the antitumor activity, as compared to combination therapy through what is believed to be a unique cooperative binding mechanism.



This could differentiate ivonescimab as there is potentially higher expression (presence) of both PD-1 and VEGF in tumor tissue and the TME as compared to normal tissue in the body. As shown in Akeso's *in-vitro* studies, ivonescimab's tetravalent structure (four binding sites) enables higher avidity (accumulated strength of multiple binding interactions) in the TME with over 10 fold increased binding affinity to PD-1 in the presence of VEGF *in vitro*. This tetravalent structure, the intentional novel design of the molecule, and bringing these two targets into a single bispecific antibody with cooperative binding qualities has the potential to direct ivonescimab to the tumor tissue versus healthy tissue. The intent of this design is to improve upon previously established efficacy thresholds, in addition to side effects and safety profiles associated with these targets.

Ivonescimab is currently being developed by both Akeso and the Company in multiple Phase III clinical trials. There are also multiple early-phase trials being conducted in multiple solid tumors. Ivonescimab has been dosed in more than 2,800 patients globally.

Akeso-Sponsored Ivonescimab Trials

Akeso is currently developing ivonescimab in NSCLC and other solid tumor settings. Ivonescimab is currently approved in China in combination with chemotherapy for patients with EGFR-mutated NSCLC whose tumors have progressed following an EGFR-TKI based on the results of the HARMONi-A clinical trial that was first announced and presented in 2024. In addition, a supplemental application was submitted in China by Akeso for ivonescimab as monotherapy based on the results of the HARMONi-2 study in first-line, PD-L1 positive NSCLC, and was approved by the National Medical Products Administration ("NMPA") in April 2025 for this indication as well. Also in April 2025, Akeso announced positive results for the HARMONi-6 study in first-line squamous NSCLC. Further details related to these three trials, in addition to other Phase II clinical data presented during 2024, are described further below. Akeso is currently conducting Phase III clinical trials in combination with chemotherapy in first-line biliary tract cancer ("HARMONi-GI1"), in first-line advanced PD-L1 low or negative triple-negative breast cancer ("HARMONi-BC1"), in first-line advanced microsatellite stable colorectal cancer ("HARMONi-GI3") and in NSCLC for patients whose tumors have progressed following PD-(L)1 inhibitor based therapy ("HARMONi-8A"), as well as in combination with ligufalimab, a proprietary Akeso-owned investigational CD-47 monoclonal antibody, in first-line recurrent / metastatic PD-L1 positive head-and-neck cancer ("HARMONi-HN1") and in combination with ligufalimab plus chemotherapy in first-line advanced pancreatic cancer ("HARMONi-GI2").

HARMONi-A

Based on data published by Akeso at the American Society of Clinical Oncology ("ASCO 2024") and in a publication in the *Journal of the American Medical Association (JAMA)* in the HARMONi-A study, in a single-region (China), randomized, double-blinded Phase III study in patients with NSCLC who have progressed following an EGFR-TKI, ivonescimab achieved its primary endpoint of PFS when combined with doublet chemotherapy (pemetrexed and carboplatin). Patients experienced a 54% reduction in disease progression or death as compared to placebo plus doublet-chemotherapy (HR: 0.46, 95% CI: 0.34 - 0.62; p<0.001). In a pre-specified subgroup analysis of patients who received a previous third-generation TKI, a hazard ratio of 0.48 was observed. A median Overall Survival ("mOS") in this study of 17.1 months was observed, reflecting a 20% reduction in death as compared to placebo plus chemotherapy in the study (HR: 0.80, 95% CI: 0.59 - 1.08). The Phase III study was considered to have demonstrated a tolerable safety profile and a low discontinuation rate for adverse events.

HARMONi-2

After announcing positive qualitative results for the HARMONi-2 trial, also referred to as AK112-303, a randomized, single-region (China) Phase III study sponsored by Akeso, on May 30, 2024, the Company announced, on September 8, 2024, quantitative data from the primary analysis of the Phase III HARMONi-2 trial featuring ivonescimab that was presented as part of the Presidential Symposium at the International Association for the Study of Lung Cancer's ("IASLC") 2024 World Conference on Lung Cancer ("WCLC 2024"). The HARMONi-2 presentation evaluated monotherapy ivonescimab compared to monotherapy pembrolizumab in patients with locally advanced or metastatic NSCLC whose tumors have positive PD-L1 expression. HARMONi-2 is a single region, multi-center, double-blinded Phase III study conducted in China sponsored by Akeso, with all relevant data exclusively generated, managed, and analyzed by Akeso.

In the HARMONi-2 primary analysis, ivonescimab monotherapy demonstrated a statistically significant improvement in the trial's primary endpoint, PFS by Independent Radiologic Review Committee (IRRC), when compared to monotherapy pembrolizumab, achieving a hazard ratio of 0.51 (95% CI: 0.38, 0.69; p<0.0001). A clinically meaningful benefit was demonstrated across clinical subgroups, including patients with tumors with high PD-L1 expression. Overall survival ("OS") data was not yet mature at the time of the data cutoff of the primary analysis.

Ivonescimab demonstrated an acceptable and manageable safety profile, which was consistent with previous studies. There were three patients (1.5%) who discontinued ivonescimab due to treatment-related adverse events ("TRAEs") compared to six patients (3.0%) who discontinued pembrolizumab due to TRAEs. There was one patient in the ivonescimab arm and two patients in the pembrolizumab arm who died as a result of TRAEs in this Phase III study.

On April 25, 2025, Akeso announced that ivonescimab was approved in China by the NMPA, the Chinese Health Authority, for a second indication based on the results of the HARMONi-2 trial. As a part of the review of the supplemental marketing application submitted by Akeso seeking a label expansion of ivonescimab in China, the NMPA requested that Akeso perform an interim analysis of OS. Akeso announced that the results of this interim overall survival analysis included a clinically meaningful hazard ratio of 0.777. The analysis was conducted at 39% data maturity, with a nominal alpha level of 0.0001.

HARMONi-6

On April 23, 2025, Akeso announced that ivonescimab administered in combination with platinum-based chemotherapy resulted in a statistically significant improvement in PFS when compared to tislelizumab (a PD-1 inhibitor) combined with platinum-based chemotherapy in patients with previously untreated advanced NSCLC irrespective of PD-L1 expression. These results were generated from the HARMONi-6 study, also referred to as AK112-306, a randomized, single-region (China) Phase III study. Akeso has announced that it intends to release the results from this study at an upcoming medical conference later in the year. This study was sponsored by Akeso, with all relevant data exclusively generated, managed, and analyzed by Akeso.

Additional Phase II Data Sets

In addition to the HARMONi-2 data announced at WCLC 2024, Akeso also announced Phase II trial results from AK112-205, for patients with Stage II or III resectable NSCLC. Further, the Company announced data for ivonescimab was presented as a part of the 2024 European Society for Medical Oncology Annual Meeting ("ESMO 2024") featuring updated Phase II ivonescimab data in advanced triple-negative breast cancer ("TNBC"), recurrent / metastatic head and neck squamous cell carcinoma ("HNSCC"), and metastatic microsatellite-stable ("MSS") colorectal cancer ("CRC"). At ASCO 2024, Akeso presented ivonescimab Phase II data in biliary-tract cancer ("BTC"). Earlier, at the 2024 European Lung Cancer Conference ("ELCC 2024"), Akeso announced updated data from AK112-201 (Cohort 1), a Phase II study for patients with first-line advanced NSCLC. Each trial from which the data was generated was a multi-center Phase II study conducted in China sponsored by Akeso, with data generated and analyzed by Akeso.

Product Pipeline

Summit Sponsored Ivonescimab Trials

Ivonescimab is currently being investigated in global Phase III clinical trials. Phase I and II trials were completed by or are ongoing with our partner Akeso. This pipeline reflects Phase III clinical trials that have been or are planned to be initiated by Summit in its Licensed Territory.

Indication	Study	Treatment Population	Regimen
NSCLC	HARMONi	2L+ EGFRm	+ Chemo vs. chemo
	HARMONi-3	1L	+ Chemo vs. pembrolizumab (PD-1) + chemo
	HARMONi-7	1L PD-L1 High	Monotherapy vs. pembrolizumab (PD-1)

HARMONi study (NCT05184712) is a Phase III, multi-regional, potentially registration-enabling clinical trial, which enrolled patients in North America, Europe, and China. Patients enrolled in China were also enrolled as a part of the HARMONi-A study. We completed enrollment of patients in North America and Europe in October 2024. The two primary endpoints for this study are PFS and OS, and the study compares ivonescimab plus platinum-based doublet chemotherapy versus placebo plus platinum-based doublet chemotherapy in patients with advanced or metastatic EGFR-mutated NSCLC whose tumors have progressed following treatment with a third generation EGFR-TKI.

In May 2025, we announced topline results from our multiregional, double-blinded, placebo-controlled, Phase III study HARMONi. At the prespecified primary data analysis, ivonescimab in combination with chemotherapy demonstrated a statistically significant and clinically meaningful improvement in progression-free survival (PFS), with a hazard ratio of 0.52 (95% CI: 0.41 – 0.66; p<0.00001). PFS was measured by blinded independent central radiology review committee (BICR) compared to placebo in combination with chemotherapy.

A clinically meaningful hazard ratio was observed in both Asia and ex-Asia sub-populations. The primary analysis demonstrated the consistency of the magnitude of the PFS benefit between patients randomized in Asia and ex-Asia, as well as the consistency in a single-region study (HARMONi-A) with this multiregional study. Ivonescimab in combination with chemotherapy showed a positive trend in overall survival (OS) in the primary analysis without achieving a statistically significant benefit with a hazard ratio of 0.79 (95% CI: 0.62 – 1.01; p=0.057). This trend provides further support for its use in 2L+ EGFRm NSCLC, a setting where high unmet need continues to exist with limited approved options in the United States and other western territories. Currently there are no current FDA-approved regimens that have demonstrated a statistically significant overall survival benefit in this patient setting. Both Asian and North American patients demonstrated a positive trend in overall survival. The results of the primary analysis in this multiregional study were consistent with that of the single-region HARMONi-A study, which demonstrated an overall survival hazard ratio of 0.80 at 52% data maturity in a similar patient population.

The safety profile of ivonescimab in combination with chemotherapy was acceptable and manageable in the context of the observed clinical benefit. Based on the results of the HARMONi clinical trial, Summit, at present time, intends to file a Biologics License Application (BLA) in order to seek approval for ivonescimab plus chemotherapy in this setting. Based on discussions with the United States Food & Drug Administration (FDA), under our determination and subject to our review, Summit will consider the timing of the filing of this BLA.

A more complete data presentation from HARMONi is intended to be shared at a future major medical conference.

HARMONi-3 study (NCT05899608) is a Phase III, multi-regional, potentially registration-enabling clinical trial for which we initiated activating sites in North America and China during the fourth quarter of 2023 and later in Europe in 2024. The two primary endpoints for this study are PFS and OS, and the study compares ivonescimab plus platinum-based doublet chemotherapy versus pembrolizumab plus platinum-based doublet chemotherapy in first-line patients with metastatic squamous NSCLC and non-squamous NSCLC. Enrollment is ongoing in all regions for patients with squamous tumors; the protocol amendment is effective and enrollment has begun in United States in the fourth quarter of 2024 for patients with non-squamous tumors. The Company plans to enroll an estimated 1,080 patients.

Based on the results of HARMONi-2, the Company is enrolling in the HARMONi-7 study (NCT06767514). HARMONi-7 is a multi-regional, potentially registration-enabling Phase III clinical trial that will compare ivonescimab monotherapy to pembrolizumab monotherapy in patients with metastatic squamous and non-squamous NSCLC whose tumors have high PD-L1 expression. The sample size for this study is currently planned to have an estimated 780 patients with two primary endpoints, PFS and OS.

Summit is conducting its current clinical trials, and plans to design and conduct additional clinical trial activities for ivonescimab within its Licensed Territory, to support and submit relevant regulatory filings. We intend to explore further clinical development of ivonescimab in solid tumor settings outside of metastatic NSCLC, our current area of focus in its Phase III clinical trials.

In the fourth quarter of 2023, we began collaborating with multiple institutions globally and opened our investigator- sponsored trials program across several disease areas. We continued to expand this program in 2024 in order to discover additional opportunities for ivonescimab, including in several tumors outside of our current development plan.

We plan to review the data generated from these clinical trials as a part of our consideration for advancing our clinical development pipeline for ivonescimab in the Licensed Territory.

Results of Operations

Amounts reported in millions within this Quarterly Report on Form 10-Q are computed based on the amounts in thousands, and therefore, the sum of components may not equal the total amount reported in millions due to rounding.

The following table sets forth our results of operations for the three and six months ended June 30, 2025 and 2024:

	Three Months Ended June 30,			Six Months Ended June 30,		
(in millions)	2025	2024	$ Change	2025	2024	$ Change
Operating expenses:						
Research and development	$ 208.0	$ 30.8	$ 177.2	$ 259.3	$ 61.7	$ 197.6
Acquired in-process research and development	—	15.0	(15.0)	—	15.0	(15.0)
General and administrative	360.4	13.8	346.6	376.0	25.3	350.7
Total operating expenses	568.4	59.6	508.8	635.3	102.0	533.3
Other income, net	2.7	2.3	0.4	6.7	4.3	2.4
Interest expense	—	(3.1)	3.1	—	(6.2)	6.2
Net loss	$ (565.7)	$ (60.4)	$ (505.3)	$ (628.6)	$ (103.9)	$ 524.7

Operating Expenses

Research and Development expenses

The table below summarizes our research and development expenses by category for the three and six months ended June 30, 2025 and 2024, respectively.

(in millions)	Three Months Ended June 30, 2025	2024	$ Change	Six Months Ended June 30, 2025	2024	$ Change
Oncology	$ 67.8	$ 20.0	$ 47.8	$ 104.2	$ 41.9	$ 62.3
Acquired in-process research and development	—	15.0	(15.0)	—	15.0	(15.0)
Compensation related costs, excluding stock-based compensation	11.6	7.3	4.3	22.4	13.9	8.5
Stock-based compensation	128.6	3.5	125.1	132.7	5.9	126.8
Total	$ 208.0	$ 45.8	$ 162.2	$ 259.3	$ 76.7	$ 182.6

The entry into the License Agreement represents a significant change in our strategy from anti-infectives to the therapeutic area of oncology. We invested our resources in the clinical development of ivonescimab in the periods presented.

Oncology clinical trial related costs represent our investment in the clinical development of ivonescimab, known as SMT112 in the Licensed Territory.

Research and development expenses increased by $162.2 million and $182.6 million during the three and six months ended June 30, 2025, compared to the same periods in the prior year. This increase was primarily due to the increase in stock-based compensation expense of approximately $123.7 million as a result of the modification of our outstanding unvested performance-based stock option awards issued under our 2020 Stock Incentive Plan which removed the performance-based vesting criteria from these awards. Following this modification, the option awards are subject only to time-based vesting conditions. In addition, our continued investment in oncology expenses for ivonescimab, known as SMT112 in our Licensed Territory, resulting in an increase of $47.8 million and $62.3 million for the three and six months ended June 30, 2025, respectively, and an increase in compensation related costs of $4.3 million and $8.5 million, respectively, for the three and six months ended June 30, 2025 to support the clinical development of ivonescimab as we continue to hire additional clinical resources in the oncology field. We expect oncology-related research and development costs to continue to increase as we progress with the development of ivonescimab.

In June 2024, we entered into a second amendment (the “Second Amendment”) to the License Agreement with Akeso to expand our licensed territories to include Latin America, Middle East and Africa regions. Considered an extension of the original License Agreement, we agreed to make an upfront payment to Akeso in the amount of $15.0 million for these expanded territories which we paid in the third quarter of 2024. This was recorded in our unaudited condensed consolidated statement of operations and comprehensive loss as acquired in process research and development expenses for the three and six months ended June 30, 2024, respectively.

General and Administrative Expenses

The table below summarizes our general and administrative expenses by category for the three and six months ended June 30, 2025 and 2024, respectively.

(in millions)	Three Months Ended June 30, 2025	2024	$ Change	Six Months Ended June 30, 2025	2024	$ Change
Compensation related costs, excluding stock-based compensation	$ 5.2	$ 3.5	$ 1.7	$ 10.2	$ 6.0	$ 4.2
Stock-based compensation	350.2	7.6	342.6	357.2	14.7	342.5
Legal fees and professional services	3.2	2.2	1.0	6.0	3.1	2.9
Other general and administrative expenses	1.8	0.5	1.3	2.6	1.5	1.1
Total	$ 360.4	$ 13.8	$ 346.6	$ 376.0	$ 25.3	$ 350.7

General and administrative expenses increased by $346.6 million and $350.7 million for the three and six months ended June 30, 2025, respectively, compared to the same periods in the prior year. The increase was primarily due to the increase in stock-based compensation expense of approximately $342.9 million as a result of the modification of our outstanding unvested performance-based stock option awards issued under our 2020 Stock Incentive Plan which removed the performance-based vesting criteria from these awards. Following this modification, the option awards are subject only to time-based vesting conditions. In addition, compensation related costs, excluding stock-based compensation, increased by $1.7 million and $4.2 million for the three and six months ended June 30, 2025, respectively compared to the same periods in the prior year as the Company is focused on building its executive management team, and legal fees and professional services increased by $1.0 million and $2.9 million for the three and six months ended June 30, 2025, respectively, compared to the same periods in the prior year to continue supporting the development of ivonescimab. We expect general and administrative expenses to continue to increase as we scale our infrastructure and management to support development of ivonescimab.

Other Income, net

The table below summarizes our other income by category for the three and six months ended June 30, 2025 and 2024, respectively.

	Three Months Ended June 30,			Six Months Ended June 30,		
(in millions)	2025	2024	$ Change	2025	2024	$ Change
Foreign currency losses	$ (0.2)	$ (0.2)	$ —	$ (0.1)	$ (0.1)	$ —
Investment income	3.0	2.6	0.4	6.8	4.4	2.4
Other expense	(0.1)	(0.1)	—	—	—	—
Other income, net	$ 2.7	$ 2.3	$ 0.4	$ 6.7	$ 4.3	$ 2.4

Other income increased by $0.4 million and $2.4 million in the three and six months ended June 30, 2025, respectively, compared to the same period in the prior year, primarily due to an increase of $0.4 million and $2.4 million in interest income due to the higher short-term investments balance in the three and six months ended June 30, 2025, respectively.

Interest Expense

Interest expense decreased for the three and six months ended June 30, 2025 compared to the same period in the prior year, primarily due to the repayment in full of the promissory note in October 2024.

Liquidity, Capital Resources and Going Concern

During the three and six months ended June 30, 2025, we incurred a net loss of $565.7 million and $628.6 million and cash flows used in operating activities for the six months ended June 30, 2025 was $127.9 million. As of June 30, 2025, we had an accumulated deficit of $1,843.2 million, and cash and cash equivalents of $297.9 million. We expect to continue to generate operating losses for the foreseeable future.

Going Concern

Our cash and cash equivalents are not sufficient to fund our planned operations for a period of at least one year from the date these unaudited condensed consolidated financial statements are issued.

Until we can generate substantial revenue and achieve profitability, we will need to raise additional capital to fund our ongoing operations and capital needs. We continue to evaluate options to further finance our operating cash needs for our product candidates through a combination of some, or all, of the following: equity and debt offerings, collaborations, strategic alliances, grants and clinical trial support from government entities, philanthropic, non-government and not-for-profit organizations, and marketing, distribution or licensing arrangements. There is no assurance, however, that additional financing will be available when needed or that we will be able to obtain financing on terms acceptable to us. If we are unable to obtain funding when required in the future, we could be required to delay or reduce research and development programs, product portfolio expansion, or future commercialization efforts, which could adversely affect our business prospects. These conditions raise substantial doubt about our ability to continue as a going concern.

Sources of Liquidity

To date, we have financed our operations primarily through issuances of our common stock, including our most recent private placement issued in September 2024 for gross proceeds of $235.0 million and the raise of $44.2 million gross proceeds from our ATM Agreement during 2024, issuance of debt, and receipt of payments to us under license, and collaboration arrangements.

We have devoted substantially all of our efforts to research and development, including clinical trials. We have not completed the development of any drugs. We expect to continue to incur significant expenses and increasing operating losses for at least the next few years. The net losses we incur may fluctuate significantly from quarter to quarter and year to year, due to the nature and timing of our research and development activities. We expect that our research and development and general and administrative expenses will continue to be significant in connection with our ongoing research and development efforts. In addition, if we obtain marketing approval for any of our product candidates in the United States or other jurisdictions where we retain commercial rights, and if we choose to retain those rights, we would expect to incur significant sales, marketing, distribution and outsourced manufacturing expenses, as well as ongoing research and development expenses. In addition, our expenses will increase if and as we:

- invest in clinical development of ivonescimab in our Licensed Territory;
- conduct research and continue development of additional product candidates;
- maintain and augment our intellectual property portfolio and opportunistically acquire complimentary intellectual property;
- seek further regulatory advancement for ivonescimab;
- invest in our manufacturing capabilities for ivonescimab and any other products for which we may obtain regulatory approval;
- seek marketing approvals for any product candidates that successfully complete clinical development;
- ultimately establish a sales, marketing and distribution infrastructure in jurisdictions where we have retained commercialization rights and scale up external manufacturing capabilities to commercialize any product candidates for which we receive marketing approval;
- perform our obligations under our collaboration agreements;
- pursue business development opportunities, including investing in other businesses, products and technologies;
- experience any delays or encounter any issues with any of the above, including but not limited to failed studies, complex results, safety issues or other regulatory challenges
- hire additional clinical, regulatory, scientific and administrative personnel;
- expand our physical presence;
- add operational, financial and management information systems and personnel, including personnel to support our product development and planned future commercialization efforts; and
- borrow capital to fund our resources and have to pay interest expenses on such borrowings.

From time to time, we may raise additional equity or debt capital through both registered offerings off of a shelf registration, including ATM offerings, and private offerings of securities. On February 20, 2024, we filed a shelf registration statement on Form S-3 with the SEC, which the SEC declared effective on February 27, 2024. Through our shelf registration statement we may, from time to time, sell up to an aggregate of $450 million of our common stock, preferred stock, debt securities, depository shares, warrants, subscription rights, purchase contracts, or units. Of the $450 million of liquidity available to us under this shelf registration statement, on May 13, 2024, we had established an ATM offering program with J.P. Morgan Securities LLC, as sales agent, in the amount of up to $90.0 million, of which $45.8 million remains available for sale as of June 30, 2025.

In addition to the payments already made to Akeso under the License Agreement and Second Amendment, there are additional potential milestone payments of $4.56 billion, as Akeso will be eligible to receive regulatory milestones of up to $1.05 billion and commercial milestones of up to $3.51 billion. In addition, Akeso will be eligible to receive low double-digit royalties on net sales. Until we can generate substantial revenue and achieve profitability, we will need to raise additional capital to fund ongoing operations and capital needs, including the payment of the milestone payments referenced above.

We have based the foregoing estimate on assumptions that may prove to be wrong, and we could use our capital resources sooner than we currently expect. This estimate assumes, among other things, that we do not obtain any additional funding through grants and clinical trial support or through new collaboration arrangements. Our future capital requirements will depend on many factors, including:

- the costs, timing and outcome of clinical trials required for clinical development of ivonescimab;
- the number and development requirements of other future product candidates that we pursue;
- the costs, timing and outcome of regulatory review of ivonescimab and/or our other product candidates we develop;
- the costs and timing of commercialization activities, including product sales, marketing, distribution and manufacturing, for any of our product candidates that receive marketing approval;
- the extent to which we become liable for milestone payments under the License Agreement and Second Amendment for ivonescimab;
- subject to receipt of marketing approval, revenue received from commercial sales of any product candidates;
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining and protecting our intellectual property rights and defending against any intellectual property-related claims;
- our ability to establish and maintain collaborations, licensing or other arrangements and the financial terms of such arrangements;
- the extent to which we acquire or invest in other businesses, products and technologies;
- the rate of the expansion of our physical presence; and
- the extent to which we change our physical presence.

We will need to seek additional funding in the future to fund operations. Additional capital, when needed, may not be available to us on acceptable terms, or at all. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our existing stockholders may be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our existing stockholders. Additional 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 or other distributions. If we raise additional funds through collaborations, strategic alliances or marketing, distribution, 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. As of the date of this Quarterly Report on Form 10-Q, additional capital has not been secured.

If we are unable to raise additional funds through equity or debt financings or other arrangements 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 candidates that we would otherwise prefer to develop and market ourselves, which could materially adversely affect our business, operating results and financial condition and our ability to continue operations.

Cash Flows

The following table summarizes our cash flows for the six months ended June 30, 2025 and 2024:

	Six Months Ended June 30,	
(in millions)	**2025**	**2024**
Net cash used in operating activities	$ (127.9)	$ (63.1)
Net cash provided by (used in) investing activities	$ 310.9	$ (180.2)
Net cash provided by financing activities	$ 9.9	$ 200.7

Operating Activities

Net cash used in operating activities for the six months ended June 30, 2025 was $127.9 million and primarily consisted of a net loss of $628.6 million and a $15.2 million net change in working capital, partially offset by non-cash charges of $485.5 million. The non-cash charges primarily consisted of $489.9 million of stock-based compensation driven by the modification to outstanding performance-based stock option awards which removed the performance-based vesting criteria, partially offset by $4.0 million relating to amortization of the discount on short-term investments in U.S. Treasury securities. The net change in working capital was primarily due to a $18.3 million increase in accounts payable and a $6.5 million increase in accrued liabilities, partially offset by a $5.4 million decrease in accrued compensation and a $3.7 million increase in other assets.

Net cash used in operating activities for the six months ended June 30, 2024 was $63.1 million and was due to a net loss of $103.9 million, which included non-cash charges of $33.5 million and a net change in working capital of $7.2 million. The non-cash charges primarily consisted of $20.6 million of stock-based compensation, $15.0 million in accrued acquired in-process research and development for the upfront payment to Akeso for the Second Amendment signed in June 2024 with expected payment in the third quarter of 2024, partially offset by $2.0 million for amortization of the discount on short-term investments. The net change in working capital was primarily due to an increase of $3.7 million in accrued liabilities, which represents the interest on the current promissory notes payable, an increase of $0.7 million in accounts payable, a decrease of $2.4 million in other assets, and a decrease of $1.0 million in prepaid expenses and other current assets, partially offset by a decrease of $0.6 million in accrued compensation.

Investing Activities

Net cash provided by investing activities for the six months ended June 30, 2025 was $310.9 million and was primarily due to $311.3 million received from maturities of short-term investments in U.S. Treasury securities.

Net cash used in investing activities for the six months ended June 30, 2024 was $180.2 million and was primarily due to $182.9 million received from the maturity, redemption and sale of short term investments in U.S. Treasury securities, offset by $363.0 million related to the purchase of short-term investments.

Financing Activities

Net cash provided by financing activities was $9.9 million for the six months ended June 30, 2025, and was due to $7.3 million of proceeds received related to the exercise of warrants and $2.6 million of proceeds received related to employee stock awards and purchase plans.

Net cash provided by financing activities was $200.7 million for the six months ended June 30, 2024, and primarily consisted of proceeds from a $200.0 million private placement of 22,222,222 shares of our common stock, par value $0.01 per share, at purchase price of $9.00 per share, and proceeds received of $0.6 million related to employee stock awards.

Critical Accounting Policies and Significant Judgments and Estimates

Our management's discussion and analysis of our financial condition and results of operations are based on our unaudited condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of our financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, and expenses and the disclosure of contingent liabilities in our financial statements. On an ongoing basis, we evaluate our estimates and judgments, including those related to research and development expenses, stock-based compensation and income taxes. We base our estimates on historical experience, known trends and events, and various other factors that we believe to be 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. Actual results may differ from these estimates under different assumptions or conditions.

Our significant accounting policies are described in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, and in Critical Accounting Policies and Significant Judgments and Estimates in our Annual Report. There have been no material changes to our critical accounting policies and estimates that were disclosed in our Annual Report.

Except as set forth in Note 13, *Commitments and Contingencies*, to our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q, there have been no material changes from the contractual obligations and commitments as of December 31, 2024 previously disclosed in our Annual Report on Form 10-K filed with the SEC on February 24, 2025.

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

Recently Issued Accounting Pronouncements

For a discussion of recently issued accounting pronouncements, refer to Note 2, *Summary of Significant Accounting Policies and Recent Accounting Pronouncements*, to our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Our primary exposures to market risk are liquidity risk and foreign currency risk.

Liquidity Risk

We have funded our operations since inception primarily through the issuance of equity and debt securities. We have also received funding from our license and collaboration arrangements. Until such time as we can generate significant revenue from product sales, if ever, we expect to finance our operations through a combination of public or private equity or debt financings or other sources. Adequate additional financing may not be available to us on acceptable terms, or at all. Our inability to raise capital as and when needed would have a negative impact on our financial condition and our ability to pursue our business strategy.

Foreign Currency Exchange Rate Risk

Foreign currency exchange rate risk refers to the risk that the value of a financial commitment or recognized asset or liability will fluctuate due to changes in foreign currency rates. Our net loss and financial position, as expressed in U.S. dollars, are exposed to movements in foreign exchange rates against the pound sterling and the euro. The main trading currencies are the pound sterling, the U.S. dollar, Japanese Yen, and the euro. We are exposed to foreign currency exchange rate risk as a result of entering into operating transactions denominated in currencies other than the functional currency of our subsidiaries, particularly in relation to our monetary assets and liabilities relating to intercompany transactions, supplier liabilities and the translation of foreign cash balances. Operating transaction foreign currency gains and losses are included in the determination of net loss in our statements of operations and comprehensive loss. We monitor our exposure to foreign currency exchange rate risk. Exposures are generally managed through natural hedging via the currency denomination of cash balances and any impact currently is not material to us.

Interest Rate Risk

We hold our cash, cash equivalents and short-term investments for working capital purposes. Some of the securities we invest in are subject to market risk. This means that a change in prevailing interest rates may cause the principal amount of such investments to fluctuate. To minimize this risk, we maintain our portfolio of cash, cash equivalents and short-term investments which are invested in a variety of short term securities, including money market funds and investments in U.S. treasury securities. Due to the short-term nature of these instruments, we believe that we do not have any material exposure to changes in the fair value of our investment portfolio as a result of changes in interest rates. Declines in interest rates, however, would reduce future interest income. The effect of a hypothetical 10% increase or decrease in overall interest rates would not have had a material impact on our operating results or the total fair value of our portfolio.

Credit Risk

We consider all of our material counterparties to be creditworthy. We consider the credit risk for each of our counterparties to be low and do not have a significant concentration of credit risk at any of our counterparties. We have $1.4 million of research and development tax credits outstanding at June 30, 2025. Given that these receivables relate to the United Kingdom research and development tax credit cash rebate regimes and given our history of collection, it is highly unlikely that these amounts will not be collected.

Item 4. Controls and Procedures.

We have performed out an evaluation of the effectiveness of our disclosure controls and procedures under the supervision and the participation of the Company’s management, including our Co-Chief Executive Officers (our Principal Executive Officers) and our Chief Operating Officer and Chief Financial Officer (our Principal Financial Officer). The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based upon our evaluation of our disclosure controls and procedures as of June 30, 2025, our Co-Chief Executive Officer and Chairman of the Board and our Co-Chief Executive Officer, President and Director (our Principal Executive Officers), and our Chief Operating Officer, Chief Financial Officer and Director (our Principal Financial Officer) concluded that, as of such date, our disclosure controls and procedures were effective at a reasonable level of assurance.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended June 30, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. Except as described below, we are not aware of any legal proceedings arising outside the ordinary course of business.

Litigation Relating to the December 2022 Notes Entered into in Connection with the License Agreement

On March 17, 2025, Rainaldi Revocable Trust, a purported stockholder of the Company, filed a derivative lawsuit in the Delaware Court of Chancery against certain of the Company's current and former directors and the Company, solely as a nominal defendant, concerning the December 2022 Notes entered into by the Company, Mr. Duggan and Dr. Zanganeh in connection with the License Agreement. The suit asserts claims for breach of fiduciary duty and unjust enrichment and seeks, among other things, unspecified damages, rescission of the shares that Mr. Duggan and Dr. Zanganeh received as part of prepaid interest payments under the December 2022 Notes, as well as attorneys' fees and costs.

Pursuant to the December 2022 Notes, the Company obtained $520 million in bridge financing through three unsecured promissory notes: (1) a $400 million note issued to Mr. Duggan due on February 15, 2023; (2) a $20 million note issued to Dr. Zanganeh due on February 15, 2023; and (3) a $100 million note issued to Mr. Duggan due on September 15, 2023 (the "$100 Million Note"). The notes had an interest rate of 7.5% through February 15, 2023, with prepaid interest through that date paid in shares valued at $0.7913 per share. For periods after February 15, 2023, interest would accrue at the U.S. prime interest rate plus 50 basis points for three months, and thereafter at the U.S. prime rate plus 300 basis points. The notes contained no warrant coverage and no security interests. The Company announced the 2023 Rights Offering on December 6, 2022, which ran from February 7 through March 1, 2023. The 2023 Rights Offering was fully subscribed, with stockholders purchasing 476,190,471 shares of the Company's common stock at $1.05 per share, raising $500 million in gross proceeds. Mr. Duggan and Dr. Zanganeh fully subscribed to their basic subscription rights, with Mr. Duggan participating by purchasing 376,489,880 shares for approximately $395.31 million. Following the Company's fully subscribed $500 million 2023 Rights Offering, Dr. Zanganeh's $20 million note was repaid on February 15, 2023, and Mr. Duggan's $400 million note was repaid. In the interest of minimizing stockholders dilution, the $100 Million Note was extended, and eventually the $75.5 million repayment was funded through the proceeds of the September 2024 Private Placement in which Mr. Duggan purchased 3,325,991 shares for an aggregate purchase price of $75.5 million as a participant in the September 2024 Private Placement at a purchase price of $22.70 per share, and the remaining $24.5 million was repaid in full on October 1, 2024, along with $7.3 million in accrued interest. Defendants' motion to dismiss the complaint was filed on May 16, 2025 (the "Motion to Dismiss"). Plaintiff filed a motion to certify certain constitutional questions to the Delaware Supreme Court on May 29, 2025 (the "Motion to Certify"). Defendants agreed to a stipulation staying briefing on the Motion to Certify and the Motion to Dismiss pending the Delaware Supreme Court's decision in another case involving substantially the same constitutional questions. On June 18, 2025, the Court granted such stipulation.

European Patent Opposition

On June 18, 2025, an unknown third party filed a notice of opposition against the Company's in-licensed EP3882275B1 patent (the "275 patent") in the European Opposition Division of the European Patent Office ("EPO"). The 275 patent covers Ivonescimab. The notice primarily asserts that the 275 patent lacks inventive step. The Company contests these assertions and intends to work with its collaboration partner, Akeso, to timely file a response before the European Opposition Division of the EPO.

Item 1A. Risk Factors.

An investment in our common stock or other securities involves a number of risks. In addition to other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider each of the risks described in our Annual Report, which Annual Report includes a detailed discussion of the Company's risk factors. If any of the risks described therein or other uncertainties currently unknown to us, or that we currently deem to be immaterial, develop into actual events, our business, financial condition, or results of operations could be negatively affected, the market price of our common stock or other securities could decline, and you may lose all or part of your investment.

We do not currently have sufficient working capital to fund our planned operations for the next twelve months. There is uncertainty regarding our ability to raise additional capital and as such, there is substantial doubt regarding our ability to continue as a going concern.

Our unaudited financial statements have been prepared under the assumption that we would continue as a going concern. However, we have concluded that there is substantial doubt about our ability to continue as a going concern, because without additional sources of funding, our cash and cash equivalents at June 30, 2025 is not sufficient for us to fund our working capital needs for the next twelve months after the date that the unaudited financial statements included in this Quarterly Report on Form 10-Q are issued. Management's plans concerning these matters, including raising additional capital, are described in Part I - Item 2 – Management's Discussion and Analysis of Financial Condition and Results of Operation - Liquidity and Capital Resources – Sources of Liquidity of our unaudited financial statements included within this Quarterly Report on Form 10-Q. We continue to evaluate options to further finance our operating cash needs for our product candidates through a combination of some, or all, of the following: equity and debt offerings, collaborations, strategic alliances, grants and clinical trial support from government entities, philanthropic, non-government and not-for-profit organizations, and marketing, distribution or licensing arrangements. However, we cannot guarantee that we will be able to obtain any or sufficient additional funding or that such funding, if available, will be obtainable on terms satisfactory to us. If we are unable to raise capital in the near term or on attractive terms, we could be forced to delay or reduce our research and development programs or any future commercialization efforts, or even curtail or cease operations.

There have been no material changes to the risk factors disclosed in Item 1A of our Annual Report other than disclosed above.

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

There were no unregistered sales of equity securities sold during the period covered by this Quarterly Report on Form 10-Q that were not previously included in a Current Report on Form 8-K filed by the Company.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

None.

Item 5. Other Information.

10b5-1 Trading Plans.

None.

Item 6. Exhibits.

Exhibit Index

Exhibit No.	Description
3.1	Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-36866), filed with the Securities and Exchange Commission on September 18, 2020)
3.2	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K (File No. 001-36866), filed with the Securities and Exchange Commission on September 18, 2020)
3.3	Amendment to Restated Certificate of Incorporation of Summit Therapeutics Inc., as filed with the Delaware Secretary of State on July 27, 2022 (incorporated by reference to Exhibit 3.1 of Form 8-K filed by the Company on July 29, 2022, File No. 001-36866)
3.4	Amendment No. 2 to Restated Certificate of Incorporation, dated January 19, 2023 (incorporated by reference to Exhibit 5.1 of Form 8-K filed by the Company on January 20, 2023, File No. 001-36866)
10.1*†	Sub-Sublease Agreement, dated June 2, 2025, by and between Summit Therapeutics Inc. and Ascendis Pharma, Inc.
31.1*	Certification of Chairman and Chief Executive Officer, Robert W. Duggan, pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Executive Director, Chief Executive Officer, and President, Dr. Mahkam Zanganeh, pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002
31.3*	Certification of Principal Financial Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Chief Executive Officers and Chief Financial Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

*	Filed herewith.
**	Furnished herewith.
†	Portions of this exhibit have been omitted in compliance with Regulation S-K Item 601(b)(10)(iv) because the Registrant has determined that the information is not material and is the type that the Registrant treats as private or confidential.

SIGNATURES

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

Date: August 11, 2025	SUMMIT THERAPEUTICS INC.	
	By:	/s/ Manmeet S. Soni
	Name:	Manmeet S. Soni
	Title	Chief Operating Officer, Chief Financial Officer and Director (Principal Financial Officer)

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

SUB-SUBLEASE AGREEMENT

This SUB-SUBLEASE AGREEMENT ("***Sub-Sublease***") is dated as of June 2, 2025 (the "***Effective Date***"), by and between ASCENDIS PHARMA, INC., a Delaware corporation ("***Sub-Sublandlord***"), and SUMMIT THERAPEUTICS SUB, INC. a Delaware corporation ("***Sub-Subtenant***").

RECITALS

A. 1050 Page Mill Road Property, LLC (the "***Sublandlord***") leases the project known as 1050 Page Mill Road, Palo Alto, California (the "***Project***") from The Board of Trustees of the Leland Stanford Junior University, a body having corporate powers under the laws of the State of California ("***Ground Lessor***") pursuant to that certain Ground Lease dated as of June 25, 1998 ("***Ground Lease***").

B. Sub-Sublandlord currently subleases certain premises from Sublandlord, pursuant to the terms and conditions of that certain Sublease dated as of October 26, 2020 (the "***Sublease***"). Pursuant to the Sublease, Sub-Sublandlord currently subleases from Sublandlord those certain premises commonly known as Building 1 located at the Project and consisting of approximately 72,812 rentable square feet of space ("***Premises***"), as more particularly described in the Sublease. Sublandlord represents that a true, correct and complete copy of the Sublease is attached hereto as Exhibit A which may be redacted as to non-material financial terms. All terms capitalized but undefined herein shall have the meanings ascribed to them in the Sublease.

B. The Initial Term of the Sublease is scheduled to expire by its terms on October 28, 2033 ("***Sublease Expiration Date***").

C. Sub-Sublandlord desires to sub-sublease a portion of the Premises consisting of approximately 36,406 rentable square feet of space located on the west side of the first and second floors of the Premises (the "***Subleased Premises***"), as depicted on Exhibit B hereto, to Sub-Subtenant and Sub-Subtenant desires to sub-sublease the Subleased Premises from Sub-Sublandlord pursuant to the terms and conditions of this Sub-Sublease.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Sub-Sublandlord and Sub-Subtenant hereby agree as follows:

1. Sublease Premises. Sub-Sublandlord hereby sub-subleases to Sub-Subtenant the Subleased Premises, and Sub-Subtenant hereby sub-subleases the Subleased Premises from Sub-Sublandlord, pursuant to the terms and conditions of this Sub-Sublease. Sub-Subtenant shall accept the Subleased Premises in the condition and state of repair on the "Sublease Commencement Date" (defined below) it its "AS IS" and "WHERE IS" condition. Sub-Sublandlord shall deliver the Subleased Premises on the Sub-Sublease Commencement Date broom clean, vacant and free of all trash, occupants and personal property (other than the personal property set forth on Exhibit C ("***FF&E***") which shall remain on the Subleased Premises throughout the Sublease Term). Except as otherwise provided in this Sub-Sublease, Sub-Subtenant expressly acknowledges and agrees Sub-Sublandlord shall not have any obligation to perform any work to prepare the Subleased Premises for Sub-Subtenant's use and occupancy.

2. Term. Subject to Section 15 herein, the term of this Sub-Sublease (the "***Sub-Sublease Term***") shall commence on the date that is the later of: (i) January 1, 2026, and (ii) the date on which Sub-Sublandlord obtains the consent of Sublandlord and Ground Lessor to this Sub-Sublease ("***Consent***"), in form and substance reasonably satisfactory to Ground Lessor, Sub-Sublandlord and Sub-Subtenant (the "***Sublease Commencement Date***") and shall expire on October 28, 2033 ("***Sub-Sublease Expiration Date***"), unless earlier terminated pursuant to the terms of this Sub-Sublease.

3. Use. Sub-Subtenant shall use the Subleased Premises in compliance with the Sublease, and solely for conducting Sub-Subtenant's business, which includes general office and research development purposes and other legally permitted uses ancillary thereto.

4. Rent. Sub-Sublandlord shall be responsible for the timely payment of Base Monthly Rent and Additional Rent under the Sublease and otherwise complying with the obligations of Sub-Sublandlord under the Sublease before and during the Sub-Sublease Term. Sub-Subtenant shall pay to Sub-Sublandlord the following as Sub-Sublease rent hereunder:

5. Sublease Term Rent; Rent Commencement Date. Beginning on the Sub-Sublease Rent Commencement Date, and continuing during the Sub-Sublease Term, Sub-Subtenant shall pay to Sub-Sublandlord, as sublease rent ("***Monthly Sub-Sublease Rent***") and in lieu of the Base Monthly Rent set forth in the Sublease, in lawful money of the United States of America, without any deduction, offset, prior notice or demand, in advance on the first business day of each month of the Sub-Sublease Term from the Sub-Sublease Rent Commencement Date through the Sublease Expiration Date, the amount of $[**] (based on a rental rate of $[**] per rentable square foot of the Subleased Premises), plus Sub-Subtenant's Share (as defined below) of Additional Rent (as defined in the Sublease) required under the Sublease with respect to the Subleased Premises in and for the Sublease Term, excluding only utility usage and janitorial services, any late fees, damages or penalties arising from Sublandlord's breach of the Master Lease (other than those, if any, resulting from Subtenant's failure to comply with this Sublease), and except as otherwise provided in this Sublease. Sub-Sublandlord shall provide Sub-Subtenant any documentation actually received by Sub-Sublandlord with respect to such Additional Rent amounts and will reasonably cooperate to obtain any other documentation reasonably requested by Sub-Subtenant with respect to such Additional Rents. Notwithstanding anything to the contrary contained in this Sub-Sublease, Sub-Subtenant's obligation for payment of Monthly Sub-Sublease Rent shall be conditionally abated for each of the initial [**] ([**]) full calendar months of the Sub-Sublease Term by [**] percent ([**]%) ("***Abatement***"), provided that in the event of the termination of this Sub-Sublease due to a breach by Sub-Subtenant under this Sub-Sublease, then, in addition to all other rights and remedies of Sub-Sublandlord, the amount of Monthly Sub-Sublease Rent theretofore so conditionally abated shall be immediately due and payable in full to Sub-Sublandlord ("***Inducement Recapture***") and Sub-Subtenant shall not be entitled to any further conditional abatement of Monthly Sub-Sublease Rent hereunder. Such abatement shall apply to Monthly Sub-Sublease Rent only and shall not relieve Sub-Subtenant of any other obligations under this Sub-Sublease including, without limitation, the obligation to pay Additional Rent hereunder. As used herein, "***Sub-Sublease Rent Commencement Date***" shall mean the Sub-

Sublease Commencement Date. On each anniversary of the Sub-Sublease Commencement Date, Monthly Sub-Sublease Rent shall increase by [**] percent ([**]%) throughout the Sub-Sublease Term. As used herein, "***Sub-Subtenant's Share***" shall mean [**] percent ([**]%).

Subject to the provisions of this Section 5 regarding the Abatement and provided that no Inducement Recapture is applicable, Sub-Subtenant shall pay to Sub-Sublandlord as Monthly Sub-Sublease Rent for said Subleased Premises as follows:

Period	Monthly Sub-Sublease Rent
1/1/26-12/31/26	$[**]*
1/1/27-12/31/27	$[**]
1/1/28-12/31/28	$[**]
1/1/29-12/31/29	$[**]
1/1/30-12/31/30	$[**]
1/1/31-12/31/31	$[**]
1/1/31-12/31/32	$[**]
1/1/33-9/30/33	$[**]
10/1/33-10/28/33	$[**]**

*Subject to Inducement Recapture, if applicable.
** Final month prorated based on 28 days

5.1 Early Access. Provided the Consent has been obtained and Sub-Subtenant provides proof of the insurance required under this Sub-Sublease, Sub-Subtenant shall have early access to the Subleased Premises at least [**] ([**]) days before the Sub-Sublease Commencement Date to install cabling, furniture fixtures and otherwise prepare the Subleased Premises for Sub-Subtenant's occupancy ("***Early Access Period***"). The terms and conditions set forth in this Sub-Sublease shall apply during the Early Access Period; provided that Sub-Subtenant shall not be responsible for Rent during such Early Access Period.

5.2 Other Charges. In addition, Sub-Subtenant shall pay Sub-Sublandlord any charges, actually incurred, without markup, for services requested by Sub-Subtenant that Sub-Sublandlord is liable to Sublandlord or Ground Lessor for and which relate to services that Sublandlord or Ground Lessor, as applicable, are not obligated to provide at no additional cost under the Sublease or Ground Lease, as applicable ("***Other Charges***"). Such Other Charges, if not paid directly to the Sublandlord or Ground Lessor, as applicable, by Sub-Subtenant, shall be paid to Sub-Sublandlord for remittance within thirty (30) days of being billed to Sub-Subtenant by

Sub-Sublandlord. Sub-Sublandlord shall provide Sub-Subtenant with documentation actually received by Sub-Sublandlord with respect to such Other Charges and will reasonably cooperate to obtain any other documentation reasonably requested by Sub-Subtenant with respect to such Other Charges.

5.3 "Sub-Sublease Rent" Defined. All monetary obligations of Sub-Subtenant to Sub-Sublandlord under the terms of this Sub-Sublease are deemed to be rent ("***Sub-Sublease Rent***"). Sub-Sublease Rent shall be payable in lawful money of the United States to Sub-Sublandlord by ACH or wire transfer to an account that Sub-Sublandlord may designate in writing. Sub-Sublease Rent payable for any partial month during the Sub-Sublease Term shall be prorated on a daily basis based on the actual number of days in such month.

6. Security Deposit. After receipt of the consent of Sublandlord and Ground Lessor pursuant to Section 16 herein, Subtenant shall deliver to Sublandlord a security deposit in the amount of $[**] (the "***Security Deposit***" to secure the faithful observance and performance by Sub-Subtenant of the terms and conditions of this Sub-Sublease. If Sub-Subtenant defaults in the observance or performance of any of such terms and conditions beyond the date of any notice and cure period for such default, Sub-Sublandlord may use or apply all or any part of the Security Deposit for the payment of any Sub-Sublease Rent not paid when due or for the payment of any other amounts due Sub-Sublandlord due to of such default, including any direct costs of Sub-Sublandlord's observing or performing such terms or conditions on Sub-Subtenant's behalf and any direct costs incurred in reletting or damages incurred by Sub-Sublandlord. If Sub-Sublandlord shall use or apply all or any part of the Security Deposit, Sub-Subtenant shall, within forty-five (45) business days following notice from Sub-Sublandlord, deliver to Sub-Sublandlord additional funds so as to restore the Security Deposit to the amount before such application of funds by Sub-Sublandlord. The Security Deposit, or so much thereof as shall not have been used or applied in accordance with this Section 6, shall be returned to Sub-Subtenant no later than thirty (30) days following the later of: (i) the expiration or sooner termination of this Sub-Sublease, and (ii) the surrender of the Subleased Premises to Sub-Sublandlord in accordance with this Sub-Sublease.

7. Master Lease.

7.1 Sublease Subordinate to Master Lease; Subtenant's Covenants. This Sub-Sublease is in all respects subject and subordinate to all of the terms, provisions, covenants, stipulations, conditions and agreements of the Sublease and the Ground Lease. Sub-Subtenant agrees as follows: except as otherwise provided in this Sub-Sublease, all references in such incorporated provision to the word "Subtenant" shall be deemed to refer to Sub-Subtenant, all references to the word "Leased Premises" shall be deemed to refer to the Subleased Premises, all references to the term "Sublease" shall be deemed to refer to this Sub-Sublease, all references to the word "Term" shall be deemed to refer to the Sub-Sublease Term, all references to the term "Landlord" shall be deemed to refer to the Sub-Sublandlord, and all references to the term "indemnitees" shall be deemed to include reference to the Sub-Sublandlord, each unless expressly stated, or the context would imply, otherwise):

(a) Basic Lease Provisions. The provisions of the Sublease are hereby incorporated herein by reference, except for (i) the following provisions of Section 1.1: "Lease Commencement Date", "Base Rent Commencement Date", "Initial Term", "Lease Expiration

Date", "[**]", "First Month's Prepaid Rent", "Tenant's Security Deposit", "Lease Guaranty", "Lease Guaranty Opinion", "Tenant's Broker", "Leased Premises", "Tenant's Building Share", "Tenant's Property Share", and "Base Monthly Rent", and (ii) Sections 2.4, 2.5, 3.8(b), 4.6 (other than Subsection (a) thereof which is incorporated herein), 4.14 (other than the first sentence thereof which is incorporated herein), 6.1 (proviso in second sentence only to be excluded (Non-Consent Alterations)), and 7.2(b), Article 15, and Article 17 and Exhibit B and Attachment 1 of the Sublease.

(b) Signage/Directory. Sub-Subtenant's right to install signage shall be governed by Section 4.6(a) of the Sublease.

(c) Alterations. Sub-Subtenant shall not make any alterations, additions or improvements to the Subleased Premises without the prior written consent of (i) Ground Lessor, which consent may be granted or withheld as set forth in the Ground Lease, (ii) Sublandlord which consent may be granted or withheld as set forth in the Sublease, and (iii) Sub-Sublandlord which consent shall not be unreasonably withheld conditioned or delayed if the consent of Ground Lessor and Sublandlord is obtained. The foregoing notwithstanding, as to any other alterations, additions or improvements desired to be undertaken by Sub-Subtenant, Sub-Subtenant shall provide all documentation and information required under the Ground Lease and the Sublease with respect to such proposed alterations, additions or improvements and Sub-Sublandlord shall promptly submit such documentation and information to Ground Lessor and Sublandlord for each of their consent to such alterations, additions or improvements.

(d) Insurance. Subtenant shall obtain the insurance coverages required by the Ground Lease and Sublease. Each policy of liability insurance shall name Sub-Sublandlord, Sublandlord and Ground Lessor as an additional insured and the waiver of subrogation requirements of property policies shall operate between Sub-Sublandlord and Sub-Subtenant, in the same manner as between Ground Lessor and Sublandlord.

(e) Assignment and Subletting. Sub-Subtenant shall not assign or sub-sublet the Subleased Premises without the prior written consent of (i) Ground Lessor, which may be granted or withheld as set forth in the Ground Lease, (ii) Sublandlord, which may be granted or withheld as set forth in the Sublease, and (iii) Sub-Sublandlord which consent shall not be unreasonably withheld, conditioned, or delayed (and in any case, provided or rejected no later than ten (10) business days from the date of the request) if the consent of Ground Lessor and Sublandlord is obtained. Further, Sub-Subtenant may, without Sub-Sublandlord's prior written consent: (1) sublet the Subleased Premises or assign this Sub-Sublease to a wholly owned subsidiary, or an affiliate with respect to which Sub-Subtenant has a controlling percentage interest, (2) an entity surviving Sub-Subtenant by merger or other consolidation, or (3) an entity that acquires all or substantially all of Sub-Subtenant's business or assets, provided that (A) such transaction is not a subterfuge to avoid Sub-Subtenant 's assignment and subletting obligations under this Subsection (e), (B) the assignee shall have unconditionally assumed Sub-Subtenant's obligations under this Sub-Sublease in a form acceptable to Sub-Sublandlord, or in the case of a sublease, the subtenant shall have executed Sub-Sublandlord's standard sublease consent form, and (C) the assignee or subtenant has a liquid net worth and EBITDA which is (i) equal to or greater than the liquid net worth and EBITDA of Sub-Subtenant as of the Effective Date and as of the date of such transfer, and (ii) sufficient for Sub-Subtenant to continually perform its obligations under the Sub-Sublease. Nothing contained in this Sub-Sublease including, without limitation, this subsection (e) shall be construed as a waiver of any consent required from Sublandlord or Ground Lessor, as applicable.

(f) Consents. Any consent or approval requested from Sub-Sublandlord in accordance with this Sub-Sublease shall be deemed reasonably withheld if Ground Lessor and/or Sublandlord withholds its consent or approval.

(g) FF&E. During the Sub-Sublease Term, Sub-Subtenant shall have the right to use the FF&E, at no additional cost or expense to Sub-Subtenant. Such FF&E shall be in its AS-IS; WHERE-IS condition and Sub-Sublandlord makes no representation or warranty regarding the fitness of such FF&E for Sub-Subtenant's intended use. So long as Sub-Subtenant is not in default under this Sub-Sublease, Sub-Subtenant shall purchase the FF&E from Sub-Subtenant for [**] ($[**]) by delivery of written notice to Sub-Sublandlord given no earlier than six (6) months prior to the Sub-Sublease Expiration Date and no later than two (2) months prior to the Sub-Sublease Expiration Date ('***Exercise Period***"). If Sub-Subtenant fails to deliver such written notice during the Exercise Period, the notice shall be deemed to have been given on the last day of the Exercise Period unless Sub-Subtenant is in default under this Sub-Sublease, in which case, Sub-Subtenant's right to acquire the FF&E shall terminate and be of no further force or effect. Title to the FF&E shall be conveyed by a Bill of Sale substantially in the form attached hereto as Exhibit D.

(h) Notices. Notice shall be provided to Sub-Subtenant consistent with the terms of Section 13.10 of the Sublease to the address included below:

If to Sub-Subtenant:
Summit Therapeutics Sub, Inc.
601 Brickell Key Drive
Suite 1000
Miami, FL 33131
Attn: [**]

With a copy to:
Summit Therapeutics Inc.
601 Brickell Key Drive
Suite 1000
Miami, FL 33131
Attn: Head of Legal
[**]

Except as set forth above, the provisions of the Sublease are hereby incorporated into this Sub-Sublease except as otherwise provided in this Sub-Sublease. Neither party shall take any action or do or permit to be done anything in violation of or default under any of the terms, covenants, conditions or provisions of the Ground Lease, the Sublease or any other instrument to which this Sub-Sublease is subordinate; or (ii) which could result in any additional cost or other liability to Sub-Sublandlord unless Sub-Subtenant assumes and pays such cost or liability.

Sub-Subtenant expressly agrees that, if Sub-Sublandlord's tenancy, control or right to possession shall terminate by expiration or any other cause not due to the fault of Sub-Sublandlord, this Sub-Sublease shall thereupon immediately cease and terminate (including Sub-Subtenant's obligations to pay Sub-Sublandlord Sub-Sublease Rent) and Sub-Subtenant shall give immediate possession to Sub-Sublandlord; provided however, that the liability of the Sub-Subtenant to the Sub-Sublandlord or the liability of the Sub-Sublandlord to the Sub-Subtenant for termination caused by the applicable party's default under this Sub-Sublease shall not be discharged by reason of such termination.

7.2 Sub-Sublandlord Not Responsible for Representations and Covenants of Ground Lessor under Ground Lease or Sublandlord under Sublease. Sub-Sublandlord shall not be deemed to have made any representation made by Ground Lessor in the Ground Lease or of Sublandlord in the Sublease. Moreover, during the Sub-Sublease Term, Sub-Subtenant acknowledges and agrees that Sub-Sublandlord shall not be responsible for Ground Lessor's breach of its covenants and obligations under the Ground Lease or Sublandlord's breach of its covenants and obligations under the Sublease. Without limiting the generality of the foregoing and subject to Section 9 of this Sub-Sublease, Sub-Sublandlord shall not be obligated (i) to provide any of the services or utilities that Ground Lessor or Sublandlord has agreed to provide pursuant to the Ground Lease or Sublease, as applicable, (ii) to make any of the repairs or restorations that Ground Lessor has agreed in the Ground Lease to make or which Sublandlord has agreed in the Sublease to make, (iii) to comply with any laws or requirements of public authorities with which Ground Lessor has agreed in the Ground Lease to comply or which Sublandlord has agreed in the Sublease to comply, or (iv) to take any action with respect to the operation, administration or control of the Project that (a) the Ground Lessor has agreed in the Ground Lease to take, and/or (b) the Sublandlord has agreed in the Sublease to take, and Sub-Sublandlord shall have no liability to Sub-Subtenant on account of any failure of Ground Lessor or Sublandlord, as applicable, to do so, or on account of any failure by Ground Lessor or Sublandlord to observe or perform any of the terms, covenants or conditions of the Ground Lease or Sublease, as applicable, required to be observed or performed thereunder.

8. Indemnity. The indemnification provisions included in sections 8.2 and 8.3 of the Sublease shall apply to this Sub-Sublease as if Sub-Sublandlord was the "Landlord" and Sub-Subtenant was the "Tenant" described in the Sublease.

9. Sub-Sublandlord's Covenants. Sub-Sublandlord covenants to do the following:

9.1 Sub-Sublandlord shall not (1) surrender or terminate the Sublease prior to its scheduled expiration date without the consent of Sub-Subtenant, or (2) amend or modify the Sublease without Sub-Subtenant's consent which shall not be unreasonably withheld, conditioned or delayed if such amendment would materially affect Sub-Subtenant's rights or obligations under this Sub-Sublease;

9.2 Sub-Sublandlord shall comply with all the terms and provisions of the Sublease, except to the extent Sub-Subtenant has assumed the same, and

9.3 Sub-Sublandlord shall, promptly following receipt thereof, deliver to Sub-Subtenant a copy of any and all written notices received by Sub-Sublandlord from Sublandlord which would have any material effect upon the Subleased Premises or this Sub-Sublease.

10. Sub-Sublandlord's Right to Cure Sub-Subtenant Default/Sub-Subtenant's Right to Cure Sub-Sublandlord Default. Upon a default by Sub-Subtenant under this Sub-Sublease (after lapse of any applicable notice and cure periods), Sub-Sublandlord may, without waiving or releasing any obligation of Sub-Subtenant hereunder and without waiving any rights or remedies at law or otherwise, make such payment or perform such act. All sums so paid or incurred by Sub-Sublandlord, together with interest thereon, from the date such sums were paid or incurred, at the annual rate equal to [**]% per annum or the highest rate permitted by law, whichever is less, shall be payable to Sub-Sublandlord on demand as additional Sub-Sublease Rent. In the event of Sub-Sublandlord's failure to pay rent under the Sublease by the date due, Sub-Subtenant shall have the right, (but not the obligation, unless so required by the Sublease) on written notice, to provide such payments to Sublandlord unless Sub-Sublandlord, at its sole election, (a) provides Sub-Subtenant with reasonable assurances that such failure will not cause Sub-Sublandlord to be in default under the Sublease, or (b) establishes an escrow account to hold such unpaid rent pending resolution of such failure by Sub-Sublandlord and Sublandlord. In the event that Sub-Subtenant provides such payment hereunder, Sub-Sublandlord shall reimburse Sub-Subtenant for such payments on demand.

11. Brokers. Sub-Sublandlord and Sub-Subtenant acknowledge and agree that [**], Inc. ("***[**]***") has been used by Sub-Subtenant to represent Sub-Subtenant in connection with this Sub-Sublease and [**] will be compensated solely by Sub-Sublandlord for this Sub-Sublease. Sub-Sublandlord and Sub-Subtenant acknowledge and agree that [**] ("***[**]***") has been used by Sub-Sublandlord to represent Sub-Sublandlord in connection with this Sub-Sublease and [**] will be compensated, if at all, solely by Sub-Sublandlord for this Sub-Sublease. Each party represents to the other that it has dealt with no broker other than [**] and [**]. Each party shall indemnify, defend and hold the other party harmless on demand from and against any liability of the other party for claims of any broker based upon breach by the indemnifying party of its representations contained in this paragraph.

12. Entire Agreement/Modification. This Sub-Sublease, including the Exhibits, contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Sub-Sublease, and no prior agreements or understanding or letter or proposal pertaining to any such matters shall be effective for any purpose. This Sub-Sublease may only be modified by a writing signed by Sub-Sublandlord and Sub-Subtenant. No provisions of this Sub-Sublease may be amended or added to, whether by conduct, oral or written communication, or otherwise, except by an agreement in writing signed by the parties hereto or their respective successors-in-interest.

13. Interpretation. The title and paragraph headings are not a part of this Sub-Sublease and shall have no effect upon the construction or interpretation of any part of this Sub-Sublease. Unless stated otherwise, references to paragraphs and subparagraphs are to those in this Sub-Sublease. This Sub-Sublease shall be strictly construed neither against Sub-Sublandlord nor Sub-Subtenant.

14. Representations. Sub-Sublandlord represents to Sub-Subtenant that to Sub-Sublandlord's actual knowledge:

(a) the copy of the Sublease delivered by Sub-Sublandlord to Sub-Subtenant is a complete and accurate copy of the Sublease, which is in effect and has not otherwise been amended and there are no other agreements between Sublandlord and Sub-Sublandlord relating to the leasing, use, and occupancy of the Subleased Premises; and

(b) that the Subleased Premises has not been sublet or licensed to any third party, in whole or in part, by Sub-Sublandlord and the Sublease has not been assigned by Sub-Sublandlord; and

(c) that no circumstance exists and no event has occurred which, with the giving of notice, the passage of time, or both, would constitute a breach or default of either party to the Sublease; and

(d) Sub-Sublandlord is not the debtor, defendant or respondent in any pending receivership, insolvency, bankruptcy, foreclosure, lease termination or other creditors' action or proceeding.

15. Quiet Possession. Provided Sub-Subtenant has performed all its obligations, Sub-Subtenant shall peaceably and quietly hold and enjoy the Premises for the Sub-Sublease Term, subject to the provisions of this Sub-Sublease.

16. FAILURE TO OBTAIN CONSENT. This Sub-Sublease shall constitute a valid and binding obligation of the parties on and after the date that it has been signed and delivered by them despite the fact that the Sub-Sublease Term and Sub-Subtenant's rights to possession will not have commenced. Within five (5) days after Sub-Subtenant has signed and delivered this Sub-Sublease, Sub-Sublandlord shall submit a fully executed original of this Sub-Sublease to the Sublandlord for Sublandlord's consent in accordance with the Sublease and Ground Lessor's consent in accordance with the Ground Lease. The parties shall cooperate reasonably in connection with the application for consent by Sublandlord and Ground Lessor and furnish such available documents and information as Sublandlord and Ground Lessor Landlord may reasonably require for such purpose. This Sub-Sublease is subject to and conditioned upon the consent of the Sublandlord and Ground Lessor. If either Sublandlord or Ground Lessor refuses to consent to this Sub-Sublease or each consent is not obtained on or prior to the date that is sixty (60) days after the Effective Date, this Sub-Sublease shall be deemed canceled, and Sub-Sublandlord shall have no liability to Sub-Subtenant in connection herewith and Sub-Subtenant shall have no liability or obligations in connection herewith.

[signature page follows]

IN WITNESS WHEREOF, Sub-Sublandlord and Sub-Subtenant have executed this Sublease as of the Effective Date.

SUB-SUBLANDLORD:

ASCENDIS PHARMA, INC.,
a Delaware Corporation

By: /s/ Jan Moller Mikkelsen
Name: Jan Moller Mikkelsen
Title: Chief Executive Officer & President

SUB-SUBTENANT:

SUMMIT THERAPEUTICS SUB, INC.
a Delaware corporation

By: /s/ Manmeet Soni
Name: Manmeet Soni
Title: Chief Operating Officer

EXHIBIT A

SUBLEASE

[To Be Attached]

Building 1

SUBLEASE

BY AND BETWEEN

1050 Page Mill Road Property, LLC,
a Delaware limited liability company

as Landlord

and

Ascendis Pharma, Inc.
a Delaware corporation

as Tenant

October 26, 2020

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Building 1

SUBLEASE

THIS SUBLEASE, defined as the "Lease" herein and dated October 26, 2020 for reference purposes only, is made by and between **1050 PAGE MILL ROAD PROPERTY, LLC**, a Delaware limited liability company ("**Landlord**") and ASCENDIS PHARMA, INC., a Delaware corporation ("**Tenant**"), to be effective and binding upon the parties as of the date the last of the designated signatories to this Lease shall have executed this Lease (the "**Effective Date of this Lease**").

A. Ground Lessor is the fee owner of the Property (as such terms are defined below in Article 1).

B. Landlord leases the Property from Ground Lessor pursuant to the Ground Lease (as such terms are defined below in Article 1).

C. Tenant desires to sublease Building 1 from Landlord, and Landlord desires to sublease Building 1 to Tenant, on the terms and conditions set forth in this Lease.

NOW, THEREFORE, Landlord and Tenant hereby agree as follows:

ARTICLE 1 REFERENCE

1.1 References. All references in this Lease (subject to any further clarifications contained in this Lease) to the following terms shall have the following meaning or refer to the respective address, person, date, time period, amount, percentage, calendar year or fiscal year as below set forth:

Landlord's Representative:	[**]
Phone Number:	[**]
Lease Commencement Date:	The date that Landlord delivers the Leased Premises to Tenant, which shall be one (1) business day after the Effective Date.
Base Rent Commencement Date:	The first day of the twenty-fifth (25th) month of the Lease Term, postponed on a day-for-day basis for each day that Tenant's completion of the Tenant Improvements (as defined in Paragraph 2.5 below) is delayed by Covid-19-Related Delays.
Covid-19-Related Delays:	If and when applicable, the delays described below in Tenant's ability to commence and/or complete the Tenant Improvements notwithstanding the exercise of commercially reasonable efforts to do so, caused by the worldwide Coronavirus SARS-CoV-2 (also known as COVID-19) pandemic: lack of availability of labor, prohibition of at least 75% of in-person workforces at the Leased Premises, disrupted supply chains, inability to receive permits or have inspections performed by relevant governmental agencies as a result of the closure of governmental offices, or unusual delays in

	receiving such permits as a result of staff shortages, backlogs in permit applications as a result of such pandemic, and/or any other delay directly resulting from any governmental laws, ordinances or regulations concerning COVID-19.
Initial Term:	Thirteen (13) years.
Lease Expiration Date:	Thirteen (13) years after the Lease Commencement Date, unless earlier terminated by Landlord in accordance with the terms of this Lease, or extended by Tenant pursuant to Article 15.
Options to Extend:	Two (2) option to extend, each for a term of five (5) years.
First Month's Prepaid Rent:	$ [**], comprised of the first month's payable Base Monthly Rent in the amount of $ [**], and estimated first month's Additional Rent in the amount of $ [**].
Tenant's Security Deposit:	$ [**]
Lease Guaranty:	A guaranty of this Lease in the form of **Attachment 1** attached hereto. Landlord's obligations under this Lease are conditioned upon Ascendis Pharma A/S [NASD: ASND] ("**Guarantor**") signing and delivering the same to Landlord on or prior to the Effective Date of this Lease, failing which Landlord shall have the unilateral right to terminate this Lease.
Lease Guaranty Opinion:	A legal opinion of Denmark counsel for Guarantor addressed to Landlord, in form reasonably acceptable to Landlord taking into account customary opinion practice, assumptions, and qualifications in the jurisdiction of said counsel, permitting reliance by Landlord and its successors, assignees, and lenders, containing the opinions set forth on **Attachment 2** attached hereto. Tenant shall cause the Lease Guaranty Opinion to be delivered to Landlord within thirty (30) days after the Effective Date of this Lease.
Late Charge Amount:	[**] Percent [**] of the Delinquent Amount
Tenant's Required Liability Coverage:	$ [**] Combined Single Limit
Tenant's Broker(s):	[**]
Property:	That certain real property situated in the City of Palo Alto, County of Santa Clara, State of California, as

	presently improved with four 2-story buildings, which real property is shown on the Site Plan attached hereto as **Exhibit** A and is commonly known as or otherwise described as follows: 1050 Page Mill Road, Palo Alto, California.
Building 1:	That certain building under construction on the Property and in which the Leased Premises are to be located identified as Building 1, with an address of 1000 Page Mill Road in Palo Alto, California ("**Building 1**"), which Building is denoted on the Site Plan as Building 1.
Common Areas:	The term "**Common Areas**" shall mean all areas within the Property from time to time not reserved for the exclusive use of Landlord, Tenant or any other tenant, such as entranceways, surface parking areas, circulation roads, and certain landscaped areas. Landlord reserves the right to make changes to the Common Areas as it deems reasonably necessary; provided that no such changes shall materially interfere with Tenant's use of or access to the Leased Premises. Common Areas shall not include the interior of any Other Buildings, other than such portions thereof as Landlord may designate for the use of all occupants of the Property. Landlord reserves the right to grant rights in the Common Areas as more fully described in Paragraph 4.10 below.
Parking Ratio:	With respect to the Leased Premises, Tenant shall be entitled to utilize 3.2 unreserved and unassigned parking spaces for each one thousand (1,000) net rentable square feet of Leased Premises (as the same may change from time to time in accordance with the terms of this Lease or an amendment hereto), such spaces to be located in the Common Areas and in the Building 1 underground parking garage. Eight (8) of the parking spaces shall be located adjacent to conduit for installation of Level 2 electric vehicle charging stations, and of these, four (4) of such spaces shall be located in the Building 1 parking garage (collectively, the "**EV Available Spaces**"). The location of the EV Available Spaces shall be determined by Landlord. If Tenant desires to install electric vehicle charging stations for the EV Available Spaces, such installation shall be at Tenant's sole cost and expense, and Tenant must comply with Article 6 of the Lease in making any such installations. Parking is provided to Tenant by Landlord without additional charge for the entire Lease Term including any expansion and/or extension periods.

Building 1

HVAC:	Heating, ventilating, and/or air conditioning.
Leased Premises:	The interior of Building 1 (including the Building 1 underground parking garage) and all the interior space within Building 1, including but not limited to stairwells, elevator shafts, covered balcony space, upper portions of open lobbies, and amenities space. The Leased Premises contain approximately 72,812 rentable square feet as determined by Landlord utilizing the Building Owners and Managers Association Gross Area of a Building: Standard Methods of Measurement (ANSI/BOMA Z65.3-2009), Construction Gross Area, and includes exterior covered decks, balconies, and upper portions of open lobbies (the "**Measurement Method**"), and for purposes of this Lease, the Leased Premises is agreed to contain said number of rentable square feet. The Building and the Leased Premises are not subject to re-measurement unless, pursuant to a written amendment to this Lease, space is subtracted therefrom or additional space is added thereto. Tenant hereby confirms that it is in agreement with the foregoing number of rentable square feet. ____________ Initials
Tenant's Building Share:	The term "**Tenant's Building Share**" shall mean the percentage obtained by dividing the rentable square footage of the Leased Premises at the time of calculation by the rentable square footage of Building 1 at the time of calculation. Such percentage is currently [**] %.
Tenant's Property Share:	The term "**Tenant's Property Share**" shall mean the percentage obtained by dividing the rentable square footage of the Leased Premises at the time of calculation by the rentable square footage of Building 1 and the Other Buildings at the time of calculation. Such percentage is currently [**] %. In the event that any portion of the Property is sold by Landlord, or if new improvements are constructed on the Property, or if the rentable square footage of the Leased Premises, Building 1, or the Other Buildings is otherwise changed, Tenant's Property Share shall be recalculated to equal the percentage described in the first sentence of this paragraph, so that the aggregate Tenant's Property Share of all tenants of the Property shall equal [**] %.
Standard Interest Rate:	The term "**Standard Interest Rate**" shall mean the greater of (a) [** , or (b) the sum of that rate quoted by

Building 1

	Wells Fargo Bank, N.T. & S. A.. from time to time as its prime rate, plus [**] percent [**), but in no event more than the maximum rate of interest permitted by applicable law.
Default Interest Rate:	The term "**Default Interest Rate**" shall mean the Standard Interest Rate, plus five percent (5%), but in no event more than the maximum rate of interest permitted by applicable law.
GAAP:	Generally accepted accounting principles, consistently applied.
Building 2:	That certain building constructed on the Property identified as Building 2, with an address of 1100 Page Mill Road in Palo Alto, California ("**Building 2**"), which Building is denoted on the Site Plan as Building 2. The rentable square footage of Building 2, as determined in accordance with the Measurement Method, is 82,662.
Building 3:	That certain building constructed on the Property identified as Building 3, with an address of 1200 Page Mill Road in Palo Alto, California ("**Building 3**"), which Building is denoted on the Site Plan as Building 3. The rentable square footage of Building 3, as determined in accordance with the Measurement Method, is 82,662.
Building 4:	That certain building to be constructed on the Property identified as Building 4, with an address of 1250 Page Mill Road in Palo Alto, California ("**Building 4**"), which Building is denoted on the Site Plan as Building 4. The rentable square footage of Building 4, as determined in accordance with the Measurement Method, is 72,812.
Other Buildings:	Buildings 2, 3, and 4 and such other buildings as may be built on the Property from time to time.
Ground Lease:	That certain Lease dated as of June 25, 1998, but effective as of December 28, 1955 (as amended to date), between Ground Lessor and Beckman Coulter, Inc., predecessor in interest to BC Palo Alto, LLC (which is the predecessor in interest to Landlord), pursuant to which Landlord leases the Property from Ground Lessor.

Building 1

Ground Lessor:	The Board of Trustees of the Leland Stanford Junior University, a body having corporate powers under the laws of the State of California.
Base Monthly Rent:	The term "**Base Monthly Rent**" shall mean the following:

Period	Base Monthly Rent
Months 1-12	$ [**]
Months 13-24	$ [**]
Months 25-36	$ [**]
Months 37-48	$ [**]
Months 49-60	$ [**]
Months 61-72	$ [**]
Months 73-84	$ [**]
Months 85-96	$ [**]
Months 97-108	$ [**]
Months 109-120	$ [**]
Months 121-132	$ [**]
Months 133-144	$ [**]
Months 145-156	$ [**]

Permitted Use:	General office and research and development purposes any other legally permitted uses ancillary thereto, to the extent in compliance with the Ground Lease, all Laws and Restrictions.
Exhibits:	The term "**Exhibits**" shall mean the Attachments and Exhibits of this Lease which are described as follows:

Attachment 1 – Form of Lease Guaranty.

Exhibit A - Site Plan showing the Property and delineating Building 1 in which the Leased Premises are located.

Exhibit B – Work Letter

Exhibit C – Pre-Approved Form of Ground Lessor's Consent

Exhibit D – Subordination, Nondisturbance and Attornment Provisions

Exhibit E – Form of Tenant Estoppel Certificate

ARTICLE 2
LEASED PREMISES, TERM AND POSSESSION

Building 1

2.1 Demise Of Leased Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, for the Lease Term and upon the terms and subject to the conditions of this Lease, that certain interior space described in Article 1 as the Leased Premises, reserving and excepting to Landlord the right to [**] percent ([**]) of all Assignment Consideration and Excess Rentals as provided in Article 7 below. Tenant's lease of the Leased Premises, together with the appurtenant right to use the Common Areas as described in Paragraph 2.2 below, shall be conditioned upon and be subject to the continuing compliance by Tenant with (i) all the terms and conditions of this Lease, (ii) the Ground Lease and all Laws and Restrictions governing the use or occupancy of the Leased Premises and the Property, (iii) all easements and other matters now of public record respecting the use of the Leased Premises and Property, and (iv) all reasonable rules and regulations from time to time established by Landlord. Notwithstanding any provision of this Lease to the contrary, Landlord hereby reserves to itself and its designees all rights of access, use and occupancy of the Building roof, and Tenant shall have no right of access, use or occupancy of the Building roof except (if at all) to the extent required in order to enable Tenant to perform Tenant's maintenance and repair obligations pursuant to this Lease. In no event shall Landlord's use of the Building roof materially interfere with Tenant's use of or access to the Leased Premises.

2.2 Right To Use Common Areas. As an appurtenant right to Tenant's right to the use and occupancy of the Leased Premises, Tenant shall have the right to use the Common Areas, in conjunction with its use of the Leased Premises solely for the purposes for which they were designed and intended and for no other purposes whatsoever. Tenant's right to so use the Common Areas shall be subject to the limitations on such use as set forth in Article 1 and shall terminate concurrently with any termination of this Lease. Further, Landlord shall have the right, from time to time, to reconfigure the Common Areas or modify the size of the Common Areas in connection with new construction on the Property or transfers of portions of the Property, provided that Tenant's access to and use of the Premises is not materially adversely affected thereby. **Lease Commencement Date And Lease Term.** The term of this Lease shall begin on the Lease Commencement Date, as set forth in Article 1. The term of this Lease shall in all events end on the Lease Expiration Date (as set forth in Article 1). The Lease Term shall be that period of time commencing on the Lease Commencement Date and ending on the Lease Expiration Date (the "**Lease Term**").

2.4 Delivery Of Possession. Landlord shall deliver possession of the Leased Premises to Tenant one (1) business day after the Effective Date of this Lease, such delivery date constituting the Lease Commencement Date. Landlord represents and warrants to Tenant that upon delivery of Building 1 to Tenant on the Lease Commencement Date: (i) Building 1 will be in compliance with the building code requirements (including those relating to seismic and structural strength, the Americans With Disabilities Act, and Title 24) in effect on January 25, 2016 (i.e., the date the building permit was issued for the construction of Building 1), (ii) the mechanical, electrical, plumbing, sewer, window, and roofing systems, and the foundation, structural walls, and windows, installed in Building 1 by Landlord, as well as the Common Areas, will be in good operating condition and repair, and (iii) to Landlord's actual knowledge, without a duty to investigate, there are no damages or defects to the Leased Premises that would not be discoverable during a visual inspection of the Leased Premises. It is agreed that by accepting possession of the Leased Premises on the Lease Commencement Date, Tenant formally accepts same and acknowledges that the Leased Premises are in the condition called for hereunder, subject only to the foregoing representations and warranties of Landlord.

2.5 Performance Of Tenant Improvements; Acceptance Of Possession. Tenant shall, pursuant to the Work Letter attached hereto as **Exhibit B** and hereby incorporated herein (the "**Work Letter**"), perform the work and make the installations in the Leased Premises substantially as set forth in the Work Letter (such work and installations hereinafter referred to as the "**Tenant Improvements**").

2.6 Surrender Of Possession. Immediately prior to the expiration or upon the sooner termination of this Lease, Tenant shall remove all of Tenant's signs from the exterior of Building 1 and shall remove all of Tenant's equipment (including telecommunications wiring and cabling, unless Landlord otherwise elects), trade fixtures, furniture, supplies, wall decorations and other personal property from within the Leased Premises, Building 1 and the Common Areas, and shall vacate and surrender the Leased Premises, Building 1, the Common Areas and the Property to Landlord in the same condition, broom clean, as existed at the Lease Commencement Date, reasonable wear and tear excepted; provided that Tenant shall not be required to remove the Tenant Improvements (other than Non-Standard Tenant Improvements) or any other alterations and/or modifications not required to be removed pursuant to Article 6. As used herein, "**Non-Standard Tenant Improvements**" shall mean any of the Tenant Improvements that (i) affect any of Building 1's structures or materially affect any of the Building's systems, or (ii) are visible from outside Building 1, or (iii) contain Hazardous Materials (as defined in Paragraph 4.11 below), or (iv) are of a type or quantity that would not typically be installed by or for a typical tenant using space for general office purposes. Tenant shall repair all damage to the Leased Premises, the exterior of Building 1 and the Common Areas caused by Tenant's removal of Tenant's property. If Landlord elects by written notice to Tenant not later than ten (10) business days prior to the termination or expiration of the Term to require Tenant to surrender Tenant's telecommunications wiring and cabling, then Tenant shall leave the same in good condition and repair and labeled and/or coded sufficiently so that Landlord can readily determine the origin, destination and function of the wires and cables; otherwise the same shall be removed. Tenant shall patch and refinish, to Landlord's reasonable satisfaction, all penetrations made by Tenant or its employees to the floor, walls or ceiling of the Leased Premises, whether such penetrations were made with Landlord's approval or not. Tenant shall repair or replace all stained or damaged ceiling tiles, wall coverings and floor coverings to the reasonable satisfaction of Landlord. Tenant shall repair all damage, to the extent caused by Tenant or a Tenant Party, to (a) the exterior surface of Building 1, and/or (b) the paved surfaces of the Common Areas and, where necessary, replace or resurface same. Additionally, to the extent that Landlord shall have notified or is deemed to have notified Tenant in writing at the time Landlord approved such improvements that it desired to have certain non-standard improvements made by Tenant or at the request of Tenant removed at the expiration or sooner termination of the Lease, Tenant shall, upon the expiration or sooner termination of the Lease, remove any such improvements constructed or installed by Tenant and repair all damage caused by such removal. If the Leased Premises, Building 1, the Common Areas and the Property are not surrendered to Landlord in the condition required by this paragraph at the expiration or sooner termination of this Lease, Landlord may, at Tenant's expense, so remove Tenant's signs, property and/or improvements not so removed and make such repairs and replacements not so made or hire, at Tenant's expense, independent contractors to perform such work. Tenant shall be liable to Landlord for all costs incurred by Landlord in returning the Leased Premises, Building 1 and the Common Areas to the required condition, together with interest on all costs so incurred from the date paid by Landlord at the Default Interest Rate until paid. Tenant shall pay to Landlord the amount of all costs so incurred plus such interest thereon, within ten (10) business days of Landlord's billing Tenant for same. Notwithstanding the foregoing, Landlord may consent (in its sole and absolute discretion, which consent may be withheld for any reason or no reason) to accept a cash payment from Tenant in lieu of Tenant completing all or any portion of the work required pursuant to this paragraph, such consent to be in a written notice specifying the work from which Tenant shall be excused. Tenant shall indemnify Landlord against loss or liability resulting from delay by Tenant in surrendering the Leased Premises, including, without limitation, any claims made by any succeeding Tenant or any losses to Landlord with respect to lost opportunities to lease to succeeding tenants.

2.7 Accessibility. In accordance with California Civil Code Section 1938, Landlord hereby informs Tenant that as of the Effective Date, the Leased Premises has not been inspected by a Certified Access Specialist (as defined in California Civil Code Section 55.52(3)) ("CASp"). California Civil Code Section 1938(e) provides:

Building 1

"A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

Accordingly, Landlord and Tenant hereby mutually agree that if Tenant desires to obtain a CASp inspection, (i) the CASp inspection shall be at Tenant's sole cost and expense, (ii) the inspection shall be performed by a CASp that is currently certified in California and has been reasonably approved by Landlord, (iii) the CASp inspection shall take place prior to commencement of work on the Tenant Improvements, during regular business hours with at least five (5) business days' prior written notice to Landlord, (iv) the CASp inspection shall be limited to the Building shell and core constructed by Landlord, and (v) Tenant shall promptly provide Landlord with a copy of the final report prepared in connection with the CASp inspection (the "**CASp Report**"), and (vi) Landlord shall be solely responsible for promptly making any repairs or modifications necessary to correct violations of construction-related accessibility standards that are noted in the CASp Report (the "**Required Modifications**").

Tenant hereby acknowledges and agrees that the CASp Report is to be kept strictly confidential, except as necessary for Tenant to complete repairs and correct violations of construction-related accessibility standards as noted in the CASp Report. Accordingly, except as provided above or as may be required by law or court order, Tenant shall not release, publish or otherwise distribute (and shall not authorize or permit any other person or entity to release, publish or otherwise distribute) any information contained in the CASp Report. Tenant's obligations hereunder shall survive the expiration or earlier termination of the Lease.

ARTICLE 3
RENT, LATE CHARGES AND SECURITY DEPOSITS

3.1 Base Monthly Rent. Commencing on the Base Rent Commencement Date and continuing throughout the Lease Term, Tenant shall pay to Landlord, without prior demand therefor, in advance on the first day of each calendar month, cash or other immediately available good funds in the amount set forth as "Base Monthly Rent" in Article 1 (the "**Base Monthly Rent**"). With respect to the Base Monthly Rent due on the Base Rent Commencement Date and for each of the next eleven (11) months thereafter, Tenant shall be entitled to receive an invoice from Landlord stating the amount and due date of the applicable payment of Base Monthly Rent. Tenant agrees that Landlord may deliver all twelve (12) of such invoices simultaneously, at any time from and after the Effective Date of this Lease, and thereafter, Landlord shall have no obligation to deliver and Tenant shall have no right to receive invoices for Base Monthly Rent.

3.2 Additional Rent. Commencing on the first day of the thirteenth (13th) month of the Lease Term and continuing throughout the Lease Term, in addition to the Base Monthly Rent and to the extent not required by Landlord to be contracted for and paid directly by Tenant, Tenant shall pay to Landlord as additional rent (the "**Additional Rent**"), cash or other immediately available good funds in the following amounts:

(a) An amount equal to all Property Operating Expenses (as defined in Article 13) incurred or to be incurred by Landlord. Payment shall be made by whichever of the following methods (or combination of methods) is (are) from time to time designated by Landlord:

(i) Landlord may bill to Tenant, on a periodic basis not more frequently than monthly, the amount of such expenses (or group of expenses) as paid or incurred by Landlord, and Tenant shall pay to Landlord the amount of such expenses within ten (10) business days after receipt of a written bill therefor from Landlord, and/or

(ii) Landlord may deliver to Tenant Landlord's reasonable estimate of any given expense (such as Landlord's Insurance Costs or Real Property Taxes), or group of expenses, which it anticipates will be paid or incurred for the ensuing calendar or fiscal year, as Landlord may determine, and Tenant shall pay to Landlord an amount equal to the estimated amount of such expenses for such year in equal monthly installments during such year with the installments of Base Monthly Rent. Landlord reserves the right to reasonably revise such estimate from time to time.

Landlord reserves the right, acting in its reasonable discretion, to change from time to time the methods of billing Tenant for any given expense or group of expenses or the periodic basis on which such expenses are billed.

(b) Landlord's share of the consideration received by Tenant upon certain assignments and sublettings as required by Article 7.

(c) Any legal fees and costs that Tenant is obligated to pay or reimburse to Landlord pursuant to Article 13; and

(d) Any other charges or reimbursements due Landlord from Tenant pursuant to the terms of this Lease.

3.3 Year-End Adjustments. If Landlord shall have elected to bill Tenant for the Property Operating Expenses (or any group of such expenses) on an estimated basis in accordance with the provisions of Paragraph 3.2(a)(ii) above, Landlord shall furnish to Tenant within four months following the end of the applicable calendar or fiscal year, as the case may be, a statement setting forth (i) the amount of such expenses paid or incurred during the just ended calendar or fiscal year, as appropriate, and (ii) the amount that Tenant has paid to Landlord for credit against such expenses for such period. If Tenant shall have paid more than its obligation for such expenses for the stated period, Landlord shall, at its election, either (i) credit the amount of such overpayment toward the next ensuing payment or payments of Additional Rent that would otherwise be due or (ii) refund in cash to Tenant the amount of such overpayment. If such year-end statement shall show that Tenant did not pay its obligation for such expenses in full, then Tenant shall pay to Landlord the amount of such underpayment within thirty (30) days from Landlord's billing of same to Tenant.

Tenant may, at Tenant's sole cost and expense, cause an audit of Landlord's books and records to determine the accuracy of Landlord's billings for Property Operating Expenses under this Lease, provided Tenant completes (and delivers to Landlord the written results of) such audit within thirty (30) days after Tenant's receipt of the year-end statement described above setting forth the annual reconciliation of the Property Operating Expenses, and provided further that the person or entity performing such audit is an unaffiliated, third party certified public accounting firm and is not compensated on any type of contingent basis. If such audit reveals that the actual Property Operating Expenses for any given year were less than the amount that Tenant paid for Property Operating Expenses for any such year, then unless Landlord contests such audit results as provided below, Landlord shall credit the excess to Tenant's next payment of Additional Rent. If such audit reveals that the actual Property Operating Expenses for any given year were more than the amount that Tenant paid for Property Operating Expenses for any such year, Tenant shall pay such amount to Landlord within thirty (30) days after completion of the audit. Landlord shall have the right to contest the results of Tenant's audit and thereafter promptly have an audit performed (**"Landlord's Audit"**) by an unaffiliated, third party certified public accounting firm which is not compensated on any type of contingent basis, selected by Landlord and acceptable to Tenant in Tenant's reasonable discretion. In such case, the results of Landlord's audit shall be binding and conclusive on Landlord and Tenant, and any resulting overpayment or underpayment shall be handled as provided above. Landlord and Tenant shall each pay for its own audit. However, if it is determined as a result of the foregoing that the sums charged to Tenant in respect of Property Operating Expenses for any year: (a) exceeded the actual Operating Payment for such year by more than [**] percent [**], then, in addition to amounts payable by Landlord as provided above, Landlord shall reimburse Tenant for the out-of-pocket cost of Tenant's audit; or (b) were equal to or less than the actual Operating Payment for such year, Tenant shall reimburse Landlord for the out-of-pocket cost of Landlord's Audit. The provisions of this Paragraph shall survive the expiration or sooner termination of this Lease.

3.5 Late Charge, And Interest On Rent In Default. Tenant acknowledges that the late payment by Tenant of any monthly installment of Base Monthly Rent or any Additional Rent will cause Landlord to incur certain costs and expenses not contemplated under this Lease, the exact amounts of which are extremely difficult or impractical to fix. Such costs and expenses will include without limitation, administration and collection costs and processing and accounting expenses. Therefore, if any installment of Base Monthly Rent is not received by Landlord from Tenant within five (5) calendar days after the same becomes due, Tenant shall immediately pay to Landlord a late charge in an amount equal to the amount set forth in Article 1 as the **"Late Charge Amount,"** and if any Additional Rent is not received by Landlord when the same becomes due, Tenant shall immediately pay to Landlord a late charge in an amount equal to [**] of the Additional Rent not so paid; provided, however, that once but only once in any twelve (12) month period during the Lease Term, Tenant shall be entitled to written notice of non-receipt of Base Monthly Rent or Additional Rent from Landlord, and Tenant shall not be liable for any Late Charge Amount or other late charge hereunder with respect thereto if such installment of Base Monthly Rent or Additional Rent is received by Landlord within five (5) days after Tenant's receipt of such notice from Landlord. Landlord and Tenant agree that this late charge represents a reasonable estimate of such costs and expenses and is fair compensation to Landlord for the anticipated loss Landlord would suffer by reason of Tenant's failure to make timely payment. In no event shall this provision for a late charge be deemed to grant to Tenant a grace period or extension of time within which to pay any rental installment or prevent Landlord from exercising any right or remedy available to Landlord upon Tenant's failure to pay each rental installment due under this Lease when due, including the right to terminate this Lease. If any rent remains delinquent for a period in excess of five (5) days after receipt of written notice from Landlord, then, in addition to such late charge, Tenant shall pay to Landlord interest on any rent that is not so paid from said fifth day at the Default Interest Rate until paid

3.6 Payment Of Rent. Except as specifically provided otherwise in this Lease, all rent shall be paid in lawful money of the United States, without any abatement, reduction or offset for any reason whatsoever, to Landlord at such address as Landlord may designate from time to time. Tenant's obligation to pay Base Monthly Rent and all Additional Rent shall be appropriately prorated at the commencement and expiration of the Lease Term. The failure by Tenant to pay any Additional Rent as required pursuant to this Lease when due shall be treated the same as a failure by Tenant to pay Base Monthly Rent when due, and Landlord shall have the same rights and remedies against Tenant as Landlord would have had Tenant failed to pay the Base Monthly Rent when due.

3.7 Prepaid Rent. Tenant shall, upon execution of this Lease, pay to Landlord the amount set forth in Article 1 as First Month's Prepaid Rent, as prepayment of rent for credit against the installment of Base Monthly Rent and Additional Rent due hereunder for the twenty fifth (25th) month of the Lease Term.

3.8 Security Deposit.

(a) Tenant shall deposit concurrently with Tenant's execution of this Lease, with Landlord the amount set forth in Article 1 as the "**Security Deposit**" as security for the performance by Tenant of the terms of this Lease to be performed by Tenant, and not as prepayment of rent. Tenant hereby grants to Landlord a security interest in the Security Deposit, including but not limited to replenishments thereof. Landlord may apply such portion or portions of the Security Deposit as are reasonably necessary for the following purposes: (i) to remedy any default by Tenant in the payment of Base Monthly Rent or Additional Rent or a late charge or interest on defaulted rent, or any other monetary payment obligation of Tenant under this Lease; (ii) to repair damage to the Leased Premises, the Building or the Common Areas caused or permitted to occur by Tenant; (iii) to clean and restore and repair the Leased Premises, the Building or the Common Areas following their surrender to Landlord if not surrendered in the condition required pursuant to the provisions of Article 2, (iv) to remedy any other default of Tenant including, without limitation, paying in full on Tenant's behalf any sums claimed by materialmen or contractors of Tenant to be owing to them by Tenant for work done or improvements made at Tenant's request to the Leased Premises, and (v) to cover any other expense, loss or damage which Landlord may at any time suffer due to Tenant's default. In this regard, Tenant hereby waives any restriction on the uses to which the Security Deposit may be applied as contained in Section 1950.7(c) of the California Civil Code and/or any successor statute. In the event the Security Deposit or any portion thereof is so used, Tenant shall pay to Landlord, promptly upon demand, an amount in cash sufficient to restore the Security Deposit to the full original sum. Landlord shall not be deemed a trustee of the Security Deposit. Landlord may use the Security Deposit in Landlord's ordinary business and shall not be required to segregate it from Landlord's general accounts. Tenant shall not be entitled to any interest on the Security Deposit. If Landlord transfers the Building or the Property during the Lease Term, Landlord may pay the Security Deposit to any subsequent owner in conformity with the provisions of Section 1950.7 of the California Civil Code and/or any successor statute, in which event the transferring landlord shall be released from all liability for the return of the Security Deposit. Tenant specifically grants to Landlord (and Tenant hereby waives the provisions of California Civil Code Section 1950.7 to the contrary) a period of sixty (60) days following a surrender of the Leased Premises by Tenant to Landlord within which to inspect the Leased Premises, make required restorations and repairs, receive and verify workmen's billings therefor, cure any other defaults, deduct any damages, and prepare a final accounting with respect to the Security Deposit. In no event shall the Security Deposit or any portion thereof, be considered prepaid rent.

(b) Notwithstanding the foregoing, Tenant may deliver to Landlord a clean, unconditional, irrevocable, transferable, letter of credit in lieu of cash for the Security Deposit (the "**Letter of Credit**") in form and issued by [**] or another financial institution ("**Issuer**") satisfactory to Landlord in its sole discretion. Tenant hereby waives any right to protest the Issuer's honoring of the Letter of Credit. The Letter of Credit shall permit partial draws, and provide that draws thereunder will be honored upon presentation by Landlord. The Letter of Credit shall have an expiration period of one (1) year but shall automatically renew by its terms unless affirmatively cancelled by either Issuer or Tenant, in which case Issuer must provide Landlord thirty (30) days' prior written notice of such expiration or cancellation. The Letter of Credit shall remain in effect until sixty (60) after the Lease Expiration Date. Any amount drawn under the Letter of Credit and not utilized by Landlord for the purposes permitted by this Lease shall be held in accordance with subparagraph (a) of this Paragraph 3.7. If the Tenant fails to renew or replace the Letter of Credit as required under this Lease at least thirty

(30) days before its stated expiration date, Landlord may draw upon the entire amount of the Letter of Credit. No fees applicable to the Letter of Credit shall be charged to Landlord.

ARTICLE 4
USE OF LEASED PREMISES AND COMMON AREA

4.1 Permitted Use. Tenant shall be entitled to use the Leased Premises on a 24/7/365 basis, solely for the "**Permitted Use**" as set forth in Article 1 and for no other purpose whatsoever. Any discontinuance of such use for a period of sixty (60) consecutive calendar days shall be, at Landlord's election, a default by Tenant under the terms of this Lease; provided that no such default shall exist if such discontinuance is a result of (a) alterations and/or modifications, (b) remediation, (c) Force Majeure (as defined below), or (d) casualty. Tenant shall have the right to use the Common Areas in conjunction with its Permitted Use of the Leased Premises solely for the purposes for which they were designed and intended and for no other purposes whatsoever.

4.2 General Limitations On Use. Tenant shall not do or permit anything to be done in or about the Leased Premises, Building 1, the Common Areas or the Property which does or could reasonably be expected to (i) jeopardize the structural integrity of Building 1 or (ii) cause damage to any part of the Leased Premises, Building 1, the Common Areas or the Property. Tenant shall not operate any equipment within the Leased Premises which does or could (A) injure, vibrate or shake the Leased Premises or Building 1, (B) damage, overload or impair the efficient operation of any electrical, plumbing, and HVAC systems within or servicing the Leased Premises or Building 1, or (C) damage or impair the efficient operation of the sprinkler system (if any) within or servicing the Leased Premises or Building 1. Tenant shall not install any equipment or antennas on or make any penetrations of the exterior walls or roof. Tenant shall not affix any equipment to or make any penetrations or cuts in the structural elements of the floor, ceiling, walls or roof of the Leased Premises. Tenant shall not place any loads upon the floors, walls, ceiling or roof systems which could endanger the structural integrity of Building 1 or damage its floors, foundations or supporting structural components. Tenant shall not place any explosive, flammable or harmful fluids or other waste materials in the drainage systems of the Leased Premises, Building 1, the Common Areas or the Property. Tenant shall not drain or discharge any fluids in the landscaped areas or across the paved areas of the Property. Tenant shall not use any of the Common Areas for the storage of its materials, supplies, inventory or equipment and all such materials, supplies, inventory or equipment shall at all times be stored within the Leased Premises. Tenant shall not commit nor permit to be committed by any of its employees, agents, vendors, invitees, guests, permittees, assignees, sublessees, or contractors (the "**Tenant Parties**"), any waste in or about the Leased Premises, Building 1, the Common Areas or the Property.

4.3 Noise And Emissions. All noise generated by Tenant in its use of the Leased Premises shall be confined or muffled so that it does not interfere with the businesses of or annoy the occupants and/or users of adjacent properties. All dust, fumes, odors and other emissions generated by Tenant's use of the Leased Premises shall be sufficiently dissipated in accordance with sound environmental practice and exhausted from the Leased Premises in such a manner so as not to interfere with the businesses of or annoy the occupants and/or users of adjacent properties, or cause any damage to the Leased Premises, Building 1, the Common Areas or the Property or any component part thereof or the property of adjacent property owners.

4.4 Trash Disposal. Tenant shall provide trash bins or other adequate garbage disposal facilities within the trash enclosure areas provided or permitted by Landlord outside the Leased Premises sufficient for the interim disposal of all of its trash, garbage and waste. All such trash, garbage and waste temporarily stored in such areas shall be stored in such a manner so that it is not visible from outside of such areas, and Tenant shall cause such trash, garbage and waste to be regularly removed from the Property. Tenant shall keep the Leased Premises and the Common Areas in a clean, safe and neat condition free and clear of all of Tenant's trash, garbage, waste and/or boxes, pallets and containers containing same at all times.

4.5 **Parking**. Tenant shall not, at any time, park or permit to be parked any recreational vehicles, inoperative vehicles or equipment in the Building 1 underground parking garage or the Common Areas, or on any portion of the Property. If Tenant or any of the Tenant Parties park any vehicle within the Property in violation of these provisions, then Landlord may, upon prior written notice to Tenant giving Tenant one (1) business day (or any applicable statutory notice period, if longer than one (1) business day) (the "**Removal Period**") to remove such vehicle(s), in addition to any other remedies Landlord may have under this Lease, charge Tenant, as Additional Rent, and Tenant agrees to pay, as Additional Rent, [**] ($ [**] per day for each day or partial day beyond the Removal Period that each such vehicle is so parked within the Property. Tenant agrees to assume responsibility for compliance by the Tenant Parties with the parking provisions contained herein. Landlord reserves the right to grant easements and access rights to others for use of the parking areas on the Property, and to designate specific parking areas for particular tenants of the Property, provided that such grants do not materially interfere with Tenant's use of the parking areas or reduce the number of parking spaces allotted to Tenant under this Lease.

4.6 **Signs**. (a) Except as provided in the following paragraph, Tenant shall not place or install on or within any portion of the Leased Premises, the exterior of Building 1, the Common Areas or the Property any sign, advertisement, banner, placard, or picture which is visible from the exterior of the Leased Premises or Building. Except as provided in the following paragraph, Tenant shall not place or install on or within any portion of the Leased Premises, the exterior of Building 1, the Common Areas or the Property any business identification sign which is visible from the exterior of the Leased Premises or Building until Landlord shall have approved in writing and in its sole discretion the location, size, content, design, method of attachment and material to be used in the making of such sign; *provided, however*, that so long as such signs are normal and customary business directional or identification signs within Building 1, Tenant shall not be required to obtain Landlord's approval. Any sign, once approved by Landlord, shall be installed at Tenant's sole cost and expense and only in strict compliance with Landlord's approval and any applicable Laws and Restrictions, using a person approved by Landlord to install same. Landlord may remove any signs (which have not been approved in writing by Landlord), advertisements, banners, placards or pictures so placed by Tenant on or within the Leased Premises, the exterior of Building 1, the Common Areas or the Property and charge to Tenant the cost of such removal, together with any costs incurred by Landlord to repair any damage caused thereby, including any cost incurred to restore the surface (upon which such sign was so affixed) to its original condition.

(b) Subject to the terms of this Paragraph 4.6, Tenant will be permitted to install the maximum exterior signage identifying Tenant on the Leased Premises and Building 1 permitted by applicable Laws and Restrictions, subject, however, to the rights of certain current tenants of the Property to have the top-most position on the monument signs on the Property (collectively, "**Tenant's Pre-Approved Signage**"). Tenant's Pre-Approved Signage (including, without limitation, the size, design, colors and material thereof) shall not be installed without Tenant having first obtained any approval required by Ground Lessor and/or the City of Palo Alto. Tenant's Pre-Approved Signage shall be subject each of the following conditions:

(i) Tenant's Pre-Approved Signage shall be designed, maintained and installed in accordance with all applicable laws, rules and regulations.

(ii) Tenant may not change Tenant's Pre-Approved Signage without the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned, or delayed.

(iii) All approvals and permits required to be obtained for the installation and maintenance of Tenant's Pre-Approved Signage shall be obtained and maintained at Tenant's sole cost and expense.

(iv) Tenant's Pre-Approved Signage will be constructed, installed and maintained at Tenant's sole cost and expense.

(v) Tenant shall install, operate, insure, maintain, repair and replace Tenant's Pre-Approved Signage (and the lighting therefor, if any) at Tenant's sole cost and expense subject to applicable code and such reasonable rules and regulations as Landlord may require, including, without limitation, Building 1's construction rules and regulations.

Tenant must remove Tenant's Pre-Approved Signage at Tenant's sole cost and expense upon the earliest to occur of (i) any termination of this Lease or (ii) the expiration of the Term. Upon such removal by Tenant, Tenant shall fully repair and restore the area where Tenant's Pre-Approved Signage was installed and located, including, without limitation, the restoration and replacement of any Building surfaces. If Tenant does not remove all of Tenant's Pre-Approved Signage as and when required under the terms of the Lease, Landlord may remove it and perform such restoration, repair and replacement, and Tenant shall reimburse Landlord for Landlord's costs and expenses of such removal restoration and replacement within thirty (30) days of demand.

The exterior and monument signage rights provided in this Section 4.6 hereof are personal to the original Tenant named herein (Ascendis Pharma, Inc.), except that Tenant's signage rights hereunder may be transferred in connection with a transfer permitted under Paragraph 7.2(b) of this Lease. Notwithstanding the signage rights granted to Tenant pursuant to this Paragraph 4.6, Landlord reserves and retains the right to place Landlord's name and/or ownership affiliation in or on the Leased Premises, Building 1, the Common Areas or the Property, or on any of the signs located thereon, as determined in Landlord's sole discretion.

4.7 **Compliance With Laws And Restrictions**. Tenant shall abide by and shall promptly observe and comply with, at its sole cost and expense, all Laws and Restrictions respecting the use and occupancy of the Leased Premises, Building 1, the Common Areas or the Property including, without limitation, Title 24, building codes, the Americans with Disabilities Act and the rules and regulations promulgated thereunder, and all Laws governing the use and/or disposal of hazardous materials, and shall defend with competent counsel, indemnify and hold Landlord harmless from any claims, damages or liability resulting from Tenant's failure to so abide, observe, or comply. Tenant's obligations hereunder shall survive the expiration or sooner termination of this Lease. Notwithstanding the foregoing, any work required for Americans With Disabilities Act compliance of parking and paths of travel to Building 1 and the Leased Premises will be performed and paid by Landlord, except to the extent triggered by Tenant's particular use, as distinguished from general office use, or Tenant's alterations.

4.8 **Compliance With Insurance Requirements**. With respect to any insurance policies required or permitted to be carried by Landlord in accordance with the provisions of this Lease, Tenant shall not conduct nor permit any other person to conduct any activities nor keep, store or use (or allow any other person to keep, store or use) any item or thing within the Leased Premises, Building 1, the Common Areas or the Property which (i) is prohibited under the terms of any such policies, (ii) could result in the termination of the coverage afforded under any of such policies, (iii) could give to the insurance carrier the right to cancel any of such policies, or (iv) could cause an increase in the rates (over standard rates) charged for the coverage afforded under any of such policies. Tenant shall comply with all requirements of any insurance company, insurance underwriter, or Board of Fire Underwriters which are necessary to maintain, at standard rates, the insurance coverages carried by either Landlord or Tenant pursuant to this Lease.

4.9 **Landlord's Right To Enter**. Landlord and its agents shall have the right to enter the Leased Premises during normal business hours after giving Tenant reasonable notice (which shall not be less than one (1) business days' prior notice except in a circumstance which Landlord in good faith believes to be an emergency) and subject to Tenant's reasonable security measures for the purpose of (i) inspecting the same; (ii) showing the Leased Premises to prospective purchasers, mortgagees or (in the last twelve (12) months of the Term or during any period that Tenant is in material default under this Lease) tenants; (iii) making necessary alterations, additions or repairs; and (iv) performing any of Tenant's obligations when Tenant has failed to do so after receipt of written notice and an opportunity to cure. Landlord shall have the right to enter the Leased Premises during normal business hours (or as otherwise agreed), subject to Tenant's reasonable security measures, for purposes of supplying any maintenance or services agreed to be supplied by Landlord. Landlord shall also have the right, upon reasonable advance notice to Tenant (which shall not be less than one (1) business days' prior notice except in a circumstance which Landlord in good faith believes to be an emergency), to access the Building's vertical risers and the interstitial space above Tenant's acoustical ceiling to connect new utility and communications lines from other floors to the base Building utility lines. Landlord shall have the right to enter the Common Areas during normal business hours for purposes of (i) inspecting the exterior of Building 1 and the Common Areas; (ii) posting notices of nonresponsibility (and for such purposes Tenant shall provide Landlord at least thirty (30) days' prior written notice of any work to be performed on the Leased Premises as well as notice within one (1) business day after the commencement of such work); and (iii) supplying any services to be provided by Landlord; provided that such entry shall not materially interfere with Tenant's use of or access to the Leased Premises. Any entry into the Leased Premises or the Common Areas obtained by Landlord in accordance with this paragraph shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Leased Premises, or an eviction, actual or constructive of Tenant from the Leased Premises or any portion thereof. During any such access, Landlord shall use commercially reasonable efforts to minimize any interference with Tenant's business. If requested by Tenant, Landlord shall only access the Leased Premises with a representative of Tenant.

4.10 **Use Of Common Areas**. Tenant, solely in connection with its use of the Common Areas, shall at all times keep the Common Areas in a safe condition free and clear of all materials, equipment, debris, trash (except within existing enclosed trash areas), inoperable vehicles, and other items which are not specifically permitted by Landlord to be stored or located thereon by Tenant. If, in the opinion of Landlord, unauthorized persons are using any of the Common Areas by reason of, or under claim of, the express or implied authority or consent of Tenant, then Tenant, upon demand of Landlord, shall restrain, to the fullest extent then allowed by Law, such unauthorized use, and shall initiate such appropriate proceedings as may be required to so restrain such use. Landlord reserves the right to grant easements and access rights to others for use of the Common Areas and shall not be liable to Tenant for any diminution in Tenant's right to use the Common Areas as a result; provided that such grants shall not materially interfere with Tenant's use of or access to the Leased Premises.

4.11 **Environmental Protection**. Tenant's obligations under this Paragraph 4.11 shall survive the expiration or termination of this Lease.

(a) As used herein, the term "**Hazardous Materials**" shall mean any toxic or hazardous substance, material or waste or any pollutant or infectious or radioactive material, including but not limited to those substances, materials or wastes regulated now or in the future under any of the following statutes or regulations and any and all of those substances included within the definitions of "hazardous substances," "hazardous materials," "hazardous waste," "hazardous chemical substance or mixture," "imminently hazardous chemical substance or mixture," "toxic substances," "hazardous air pollutant," "toxic pollutant," or "solid waste" in the (a) Comprehensive Environmental Response, Compensation and Liability Act of 1990 ("CERCLA" or "Superfund"), as amended by the Superfund Amendments and Reauthorization Act of 1986 ("SARA"), 42 U.S.C. § 9601 *et seq.*, (b) Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. § 6901 *et seq.*, (c) Federal Water Pollution Control Act ("FSPCA"), 33 U.S.C. § 1251 *et seq.*, (d) Clean Air Act ("CAA"), 42 U.S.C. § 7401 *et seq.*, (e) Toxic Substances Control Act ("TSCA"), 14 U.S.C. § 2601 *et seq.*, (f) Hazardous Materials Transportation Act, 49 U.S.C. § 1801, *et seq.*, (g) Carpenter-Presley-Tanner Hazardous Substance Account Act ("California Superfund"), Cal. Health & Safety Code § 25300 *et seq.*, (h) California Hazardous Waste Control Act, Cal. Health & Safety code § 25100 *et seq.*, (i) Porter-Cologne Water Quality Control Act ("Porter-Cologne Act"), Cal. Water Code § 13000 *et seq.*, (j) Hazardous Waste Disposal Land Use Law, Cal. Health & Safety codes § 25220 *et seq.*, (k) Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"), Cal. Health & Safety code § 25249.5 *et seq.*, (l) Hazardous Substances Underground Storage Tank Law, Cal. Health & Safety code § 25280 *et seq.*, (m) Air Resources Law, Cal. Health & Safety Code § 39000 *et seq.*, and (n) regulations promulgated pursuant to said laws or any replacement thereof, or as similar terms are defined in the federal, state and local laws, statutes, regulations, orders or rules. Hazardous Materials shall also mean any and all other biohazardous wastes and substances, materials and wastes which are, or in the future become, regulated under applicable Laws for the protection of health or the environment, or which are classified as hazardous or toxic substances, materials or wastes, pollutants or contaminants, as defined, listed or regulated by any federal, state or local law, regulation or order or by common law decision, including, without limitation, (i) trichloroethylene, tetrachloroethylene, perchloroethylene and other chlorinated solvents, (ii) any petroleum products or fractions thereof, (iii) asbestos, (iv) polychlorinated biphenyls, (v) flammable explosives, (vi) urea formaldehyde, (vii) radioactive materials and waste, and (viii) materials and wastes that are harmful to or may threaten human health, ecology or the environment.

(b) Notwithstanding anything to the contrary in this Lease, subject to paragraph 4.11(f) below, Tenant, at its sole cost, shall comply with, and shall cause the Tenant Parties to comply with, all Laws relating to the storage, use and disposal of Hazardous Materials at the Property; *provided, however*, that Tenant shall not be responsible for contamination of the Leased Premises and/or the Building, the Property, or the Project (including the parking garage) by Hazardous Materials existing as of the date the Leased Premises are delivered to Tenant (whether before or after the Lease Commencement Date) excepting only contamination caused by Tenant or the Tenant Parties. Tenant shall not store, use or dispose of any Hazardous Materials except for cleaning solvents and other Hazardous Materials customarily used in an office setting and those Hazardous Materials listed in a Hazardous Materials management plan ("HMMP") which Tenant shall deliver to Landlord upon execution of this Lease and update at least annually with Landlord ("Permitted Materials") which may be used, stored and disposed of provided (i) such Permitted Materials are used, stored, transported, and disposed of in strict compliance with applicable laws, (ii) such Permitted Materials shall be limited to the materials listed on and may be used only in the quantities specified in the HMMP, and (iii) Tenant shall provide Landlord with copies of all material safety data sheets and other documentation required under applicable Laws in connection with Tenant's use of Permitted Materials as and when such documentation is provided to any regulatory authority having jurisdiction. In no event shall Tenant or any of the Tenant Parties conduct any invasive or destructive environmental tests of the Leased Premises or cause or permit to be discharged into the plumbing or sewage system of the Building or onto the land underlying or adjacent to the Building any Hazardous Materials. Tenant shall be solely responsible for and shall defend, indemnify, and hold Landlord and its agents harmless from and against all claims, costs and liabilities, including attorneys' fees and costs, arising out of or in connection with Tenant's storage, use and/or disposal of Hazardous Materials. If the presence of Hazardous Materials on the Leased Premises caused or permitted by Tenant or any of the Tenant Parties results in contamination or deterioration of water or soil, then Tenant shall promptly take any and all action necessary to clean up such contamination, but the foregoing shall in no event be deemed to constitute permission by Landlord to allow the presence of such Hazardous Materials. Tenant shall further be solely responsible for, and shall defend, indemnify, and hold Landlord and its agents harmless from and against all claims, costs and liabilities, including attorneys' fees and costs, arising out of or in connection with any removal, cleanup and restoration work and materials required hereunder to return the Leased Premises and any other property of whatever nature to their condition existing prior to the appearance of the Hazardous Materials released by Tenant or a Tenant Party.

(c) Upon termination or expiration of the Lease Term, Tenant at its sole expense shall cause all Hazardous Materials placed in or about the Leased Premises, the Building and/or the Property by Tenant or any of the Tenant Parties, and all installations (whether interior or exterior) made by or on behalf of Tenant or any of the Tenant Parties relating to the storage, use, disposal or transportation of Hazardous Materials to be removed from the property and transported for use, storage or disposal in accordance and compliance with all Laws and other requirements respecting Hazardous Materials used or permitted to be used by Tenant. Tenant shall apply for and shall obtain from all appropriate regulatory authorities (including any applicable fire department or regional water quality control board) all permits, approvals and clearances necessary for the closure of the Property and the Project and shall take all other actions as may be required to complete the closure of the Building, the Property, and the Project. In addition, if Landlord reasonably believes that contamination of the Leased Premises or Property has been caused or permitted by Tenant or a Tenant Party, then at Landlord's request, prior to vacating the Leased Premises, Tenant shall undertake and submit to Landlord an environmental site assessment from an environmental consulting company reasonably acceptable to Landlord which site assessment shall evidence Tenant's compliance with this Paragraph 4.11.

(d) At any time prior to expiration of the Lease Term, subject to reasonable prior notice (not less than forty-eight (48) hours) and Tenant's reasonable security requirements and provided such activities do not unreasonably interfere with the conduct of Tenant's business at the Leased Premises, Landlord shall have the right to enter in and upon the Property, Building and Leased Premises in order to conduct appropriate tests of water and soil to determine whether levels of any Hazardous Materials in excess of legally permissible levels has occurred as a result of Tenant's use thereof. Landlord shall furnish copies of all such test results and reports to Tenant and, at Tenant's option and cost, shall permit split sampling for testing and analysis by Tenant. Such testing shall be at Tenant's expense if Landlord has a reasonable basis for suspecting and confirms the presence of Hazardous Materials in the soil or surface or ground water in, on, under, or about the Property, the Building or the Leased Premises, which has been caused by or resulted from the activities of Tenant or any of the Tenant Parties.

(e) Landlord may voluntarily cooperate in a reasonable manner with the efforts of all governmental agencies in reducing actual or potential environmental damage. Tenant shall not be entitled to terminate this Lease or to any reduction in or abatement of rent by reason of such voluntary cooperation, nor for any required compliance; provided that such efforts do not materially interfere with Tenant's use of or access to the Leased Premises. Tenant agrees at all times to cooperate fully with the requirements and recommendations of governmental agencies regulating, or otherwise involved in, the protection of the environment with respect to the Leased Premises.

(f) Landlord represents and warrants to Tenant that to Landlord's actual knowledge based solely on that certain "Phase 1 Environmental Site Assessment – Final" for 1000 Page Mill Road, Palo Alto, California dated October 2020, prepared by WSP USA Corp., a copy of which has been delivered to and reviewed by Tenant (the "**Phase 1**"), as of the Lease Commencement Date, except as otherwise disclosed by the Phase 1, there are no Hazardous Materials on or about the Leased Premises, Building or Property in violation of Laws. If any remediation work is required by governmental authorities based on any release of Hazardous Materials occurring prior to the Lease Commencement Date which was not caused by Tenant or any of the Tenant Parties, Landlord shall cause such work to be performed by Landlord at Landlord's sole cost and expense and the same shall not constitute a Property Operating Expense.

4.12 Rules And Regulations. Landlord shall have the right from time to time to establish reasonable rules and regulations and/or amendments or additions thereto respecting the use of Building 1 and the Common Areas for the care and orderly management of the Property. Upon delivery to Tenant of a copy of such rules and regulations or any amendments or additions thereto, Tenant shall comply with such rules and regulations so long as such rules and regulations are applicable to all tenants on a non-discriminatory manner. A violation by Tenant of any of such rules and regulations shall constitute a default by Tenant under this Lease. If there is a conflict between the rules and regulations and any of the provisions of this Lease, the provisions of this Lease shall prevail. Landlord shall not be responsible or liable to Tenant for the violation of such rules and regulations by any other tenant of the Property.

4.13 Reservations. Landlord reserves the right from time to time to grant, without the consent or joinder of Tenant, such easements, rights of way and dedications that Landlord deems necessary, and to cause the recordation of parcel maps and restrictions, so long as such easements, rights of way and dedications do not unreasonably interfere with the use of or access to the Leased Premises by Tenant. Tenant agrees to execute any documents reasonably requested by Landlord to effectuate any such easement rights, dedications, maps or restrictions; provided that such documents shall not increase Tenant's obligations under this Lease or reduce any rights of Tenant under this Lease.

4.14 Roof. Notwithstanding any provision of this Lease to the contrary, Landlord hereby reserves to itself and its designees all rights of access, use and occupancy of the Building 1 roof, and Tenant shall have no right of access, use or occupancy of the Building 1 roof except (if at all) to the extent provided in this Paragraph 4.14 or as otherwise required in order to enable Tenant to perform Tenant's maintenance and repair obligations pursuant to this Lease. Subject to Tenant's restoration and repair obligations under Paragraph 2.6, Tenant at its sole cost and expense shall have the right to install on the roof of Building 1, satellite dishes, television antennas, supplemental HVAC equipment, and related receiving equipment, related cable connections and any and all other related equipment (collectively, "**Rooftop Equipment**") required in connection with Tenant's communications and data transmission network, in an area to be designated by Landlord, provided such installation does not impact the structural integrity of Building 1 nor void or negatively impact any applicable warranties. Tenant shall supply Landlord with detailed plans and specifications of the Rooftop Equipment prior to the installation thereof for Landlord's review and approval. Furthermore, Tenant shall have secured Landlord's approval (not to be unreasonably withheld, conditioned or delayed) and the approval of all governmental authorities and all permits required by governmental authorities having jurisdiction over such approvals and permits for the Rooftop Equipment, and shall provide copies of such approvals and permits to Landlord prior to commencing any work with respect to such Rooftop Equipment. Tenant shall pay for any and all costs and expenses in connection with, and shall repair all damage to the roof resulting from, the installation, maintenance, use and removal of the Rooftop Equipment.

4.15 Compliance with Ground Lease; Ground Lessor's Consent to Sublease. Tenant's occupancy of the Leased Premises is subject to the requirements of the Ground Lease. Tenant shall comply with the requirements of the Ground Lease at all times and shall not conduct any activities which would constitute a breach of the Ground Lease. Whenever in this Lease the consent or approval of Landlord or a governmental agency is required, the consent of Ground Lessor shall also be deemed required if and to the extent Ground Lessor's consent is required under the Ground Lease, and there shall be no "deemed consent" of Ground Lessor under this Lease. This Lease and the parties' obligations hereunder are subject to the receipt of the consent of the Ground Lessor (the "**Ground Lessor's Consent**") within thirty (30) days after the Effective Date of this Lease. If the Ground Lessor's Consent, in form and substance reasonably acceptable to Landlord and Tenant, is not received within thirty (30) days after the Effective Date of this Lease, each of Landlord and Tenant shall have the right to terminate this Lease by delivery of written notice to the other delivered within an additional ten (10) days, in which case, this Lease shall terminate and Landlord shall promptly return to Tenant the Security Deposit, all pre-paid Monthly Base Rent and any other sums previously delivered to Landlord by Tenant. Without limiting the foregoing, Landlord and Tenant hereby approve the form of Ground Lessor's Consent attached hereto as **Exhibit C**. No release by Tenant of Ground Lessor shall relieve Landlord of any liability it may have to Tenant under this Lease. After full execution of this Lease by Landlord and Tenant, Landlord will promptly provide a fully executed copy to Ground Lessor and seek Ground Lessor's consent hereto. If there is a conflict between the requirements of the Ground Lease and of this Lease such that compliance with this Lease would result in a breach of the Ground Lease or compliance with the Ground Lease would result in a breach of this Lease, the Ground Lease shall be controlling; otherwise Tenant shall comply with the provisions of both this Lease and the Ground Lease to the extent applicable to Tenant's sublease of the Leased Premises.

ARTICLE 5
REPAIRS, MAINTENANCE, SERVICES AND UTILITIES

5.1 Repair And Maintenance. Except in the case of damage to or destruction of the Leased Premises, Building 1, the Common Areas or the Property caused by Force Majeure, an act of God, or other peril, in which case the provisions of Article 10 shall control, the parties shall have the following obligations and responsibilities with respect to the repair and maintenance of the Leased Premises, Building 1, the Common Areas, and the Property.

(a) **Tenant's Obligations**. Tenant shall, at all times during the Lease Term and at its sole cost and expense, regularly clean and continuously keep and maintain in good order, condition and repair the Leased Premises and Building 1 and every part thereof which is not the responsibility of Landlord under Section 5.1(b) hereof including, without limiting the generality of the foregoing, (i) all interior walls, floors and ceilings, (ii) all windows, doors and skylights, (iii) all electrical wiring, conduits, connectors and fixtures, (iv) all plumbing, pipes, sinks, toilets, faucets and drains, (v) all lighting fixtures, bulbs and lamps, elevators, and all HVAC equipment, and (vi) all doors to the Leased Premises which are not part of the Common Areas. Tenant, if requested to do so by Landlord, shall hire, at Tenant's sole cost and expense, a licensed HVAC contractor to regularly and periodically (not less frequently than every three months) inspect and perform required maintenance on the HVAC equipment and systems serving the Leased Premises, or alternatively, Landlord may, at its election, contract in its own name for such regular and periodic inspections of and maintenance on such HVAC equipment and systems and charge to Tenant, as Additional Rent, the cost thereof. Tenant shall, at its sole cost and expense, repair all damage to the Leased Premises, Building 1, the Common Areas or the Property caused by the activities of Tenant or any of the Tenant Parties promptly following written notice from Landlord to so repair such damages. If Tenant shall fail to perform the required maintenance or fail to make repairs required of it pursuant to this paragraph within a reasonable period of time following notice from Landlord to do so, then Landlord may, at its election and without waiving any other remedy it may otherwise have under this Lease or at law, perform such maintenance or make such repairs and charge to Tenant, as Additional Rent, the costs so incurred by Landlord for same. All glass within or a part of the Leased Premises, both interior and exterior, is at the sole risk of Tenant and any broken glass shall promptly be replaced by Tenant at Tenant's expense with glass of the same kind, size and quality.

(b) **Landlord's Obligation**. Landlord shall, at all times during the Lease Term, maintain in good condition and repair the Common Areas and the foundation, roof structure and membrane, load-bearing and exterior walls of Building 1 (excluding paint and sealant). The provisions of this subparagraph (b) shall in no way limit the right of Landlord to charge to Tenant, as Additional Rent pursuant to Article 3 (to the extent permitted pursuant to Article 3), the costs incurred by Landlord in performing such maintenance and/or making such repairs.

5.2 Utilities. Tenant shall arrange at its sole cost and expense and in its own name, for the supply of gas, water, and electricity to the Leased Premises. Tenant shall be responsible for determining if the local supplier of water, gas and electricity can supply the needs of Tenant and whether or not the existing water, gas and electrical distribution systems within Building 1 and the Leased Premises are adequate for Tenant's needs. Tenant shall be responsible for determining if the existing sanitary and storm sewer systems now servicing the Leased Premises and the Property are adequate for Tenant's needs. Tenant shall pay all charges for water, gas, electricity and storm and sanitary sewer services as so supplied to the Leased Premises, irrespective of whether or not the services are maintained in Landlord's or Tenant's name.

5.3 Security. Tenant acknowledges that Landlord has not undertaken any duty whatsoever to provide security for the Leased Premises, Building 1, the Common Areas or the Property and, accordingly, Landlord is not responsible for the security of same or the protection of Tenant or any of the Tenant Parties (or any of their property) from any cause whatsoever, including but not limited to criminal and/or terrorist acts. To the extent Tenant determines that such security or protection services are advisable or necessary, Tenant shall arrange for and pay the costs of providing same. In the event Landlord in its sole and absolute discretion agrees to provide any security services, whether it be guard service or access systems or otherwise, Landlord shall do so strictly as an accommodation to Tenant and Landlord shall have no liability whatsoever in connection therewith, whether it be for failure to maintain the secure access system, or for failure of the guard service to provide adequate security, or otherwise. Without limitation, Paragraph 8.1 below is intended by Tenant and Landlord to apply to this Paragraph 5.3.

5.4 Energy And Resource Consumption.

(a) Landlord may voluntarily cooperate in a reasonable manner with the efforts of governmental agencies and/or utility suppliers in reducing energy or other resource consumption within the Property. Tenant shall not be entitled to terminate this Lease or to any reduction in or abatement of rent by reason of such cooperation. Tenant agrees at all times to cooperate fully with Landlord and to abide by all reasonable rules established by Landlord (i) in order to maximize the efficient operation of the electrical and HVAC systems and all other energy or other resource consumption systems with the Property, provided that the amounts paid by Tenant for such services shall not increase as a result thereof, and/or (ii) in order to comply with the requirements of utility suppliers and governmental agencies regulating the consumption of energy and/or other resources;.

(b) If Tenant is billed directly by a utility company with respect to Tenant's electricity and natural gas/propane usage data at the Leased Premises, then, promptly following Landlord's written request, Tenant shall provide its monthly electricity and natural gas/propane usage data for the Leased Premises to Landlord for the period of time requested by Landlord (in electronic or paper format); provided that Tenant shall not be required to provide any such usage data to the extent previously requested by Landlord and delivered by Tenant.

Building 1

5.5 **Limitation Of Landlord's Liability**. Landlord shall not be liable to Tenant for injury to Tenant or any of the Tenant Parties, damage to the property of Tenant or any of the Tenant Parties, or loss of business or profits by any of the Tenant Parties, nor shall Tenant be entitled to terminate this Lease or to any reduction in or abatement of rent by reason of (i) Landlord's failure to provide security services or systems within the Property for the protection of the Leased Premises, Building 1 or the Common Areas, or the protection of the property of Tenant or any of the Tenant Parties, or (ii) Landlord's failure to perform any maintenance or repairs to the Leased Premises, Building 1, the Common Areas or the Property until Tenant shall have first notified Landlord, in writing, of the need for such maintenance or repairs, and then only after Landlord shall have had a reasonable period of time following its receipt of such notice within which to perform such maintenance or repairs, or (iii) any failure, interruption, rationing or other curtailment in the supply of water, electric current, gas or other utility service to the Leased Premises, Building 1, the Common Areas or the Property from whatever cause (other than Landlord's active gross negligence or willful misconduct), or (iv) the unauthorized intrusion or entry into the Leased Premises by third parties (other than Landlord). Notwithstanding the foregoing, if any utility service is interrupted for five (5) consecutive business days or more and restoration is in the sole control of Landlord, Monthly Base Rent shall abate on a day-for-day basis commencing on such fifth (5th) business day and continuing until such service is restored.

ARTICLE 6
ALTERATIONS AND IMPROVEMENTS

6.1 **By Tenant**. This Paragraph 6.1 does not relate to the Tenant Improvements installed in accordance with and pursuant to the Work Letter, but to alterations, modifications, and improvements made after the date the Tenant Improvements are substantially completed. Tenant shall not make any alterations to or modifications of the Leased Premises or construct any improvements within the Leased Premises until Landlord shall have first approved, in writing, the plans and specifications therefor, which approval may be withheld in Landlord's sole discretion as to alterations, modifications, and improvements which affect the Building structure or materially affect Building systems, and otherwise such approval may be withheld in Landlord's reasonable discretion; provided, however, that Tenant, without Landlord's prior written consent, but upon not less than ten (10) business days' prior written notice to Landlord, may make "**Non-Consent Alterations**," defined herein to mean alterations (including removal and rearrangement of prior alterations) which (a) do not adversely affect any systems or equipment of Building 1 or the Property, (b) do not involve or affect the structural integrity or any structural components of Building 1, (c) do not require a building permit, (d) do not involve the expenditure of more than $[**] per alteration, and (e) do not exceed $[**] in the aggregate over the Term of this Lease. Tenant's written request shall also contain a request for Landlord to elect whether or not it will require Tenant to remove the subject alterations, modifications or improvements at the expiration or earlier termination of this Lease. If such additional request is (a) included, then Landlord shall so advise Tenant in writing of its election at the time it grants its approval, failing which Landlord shall be deemed to have elected not to require removal, or (b) is not included, Landlord may make such election at the expiration or earlier termination of this Lease (and for purposes of Tenant's removal obligations set forth in Paragraph 2.6 above, Landlord shall be deemed to have made the election at the time the alterations, modifications or improvements were completed). All such modifications, alterations or improvements, once so approved, shall be made, constructed or installed by Tenant at Tenant's expense (including all permit fees and governmental charges related thereto), using a licensed general contractor first approved by Landlord, in substantial compliance with the Landlord-approved plans and specifications therefor. All work undertaken by Tenant shall be done in accordance with all Laws and Restrictions and in a good and workmanlike manner using new materials of good quality. Tenant shall not commence the making of any such modifications or alterations or the construction of any such improvements until (i) any and all required governmental approvals and permits shall have been obtained, (ii) all requirements regarding insurance imposed by this Lease have been satisfied, (iii) Tenant shall have given Landlord at least five (5) business days prior written notice of its intention to commence such work so that Landlord may post and file notices of non-responsibility, and (iv) if requested by Landlord, Tenant shall have obtained contingent liability and broad form builder's risk insurance in an amount satisfactory to Landlord in its reasonable discretion to cover any perils relating to the proposed work not covered by insurance carried by Tenant pursuant to Article 9. In no event shall Tenant make any modification, alterations or improvements whatsoever to the Common Areas or the exterior or structural components of the Building including, without limitation, any cuts or penetrations in the floor, roof, or exterior or load-bearing walls of the Leased Premises. As used in this Article, the term "**modifications, alterations and/or improvements**" shall include, without limitation, the installation of additional electrical outlets, overhead lighting fixtures, drains, sinks, partitions, doorways, or the like.

6.2 **Ownership Of Improvements**. All modifications, alterations and improvements made or added to the Leased Premises by Tenant (other than Tenant's inventory, equipment, movable furniture, wall decorations, personal property, and trade fixtures) shall be deemed real property and a part of the Leased Premises, but shall remain the property of Tenant during the Lease Term, and Tenant hereby covenants and agrees not to grant a security interest in any such items to any party other than Landlord. Any such modifications, alterations or improvements, once completed, shall not be altered or removed from the Leased Premises during the Lease Term without Landlord's written approval first obtained in accordance with the provisions of Paragraph 6.1 above. At the expiration or sooner termination of this Lease, all such modifications, alterations and improvements other than Tenant's inventory, equipment, movable furniture, wall decorations, personal property, and trade fixtures, shall automatically become the property of Landlord and shall be surrendered to Landlord as part of the Leased Premises as required pursuant to Article 2, unless Landlord shall require Tenant to remove any of such modifications, alterations or improvements in accordance with the provisions of Article 2 or Paragraph 6.1, in which case Tenant shall so remove same. Landlord shall have no obligations to reimburse Tenant for all or any portion of the cost or value of any such modifications, alterations or improvements so surrendered to Landlord. All modifications, alterations or improvements which are installed or constructed on or attached to the Leased Premises by Landlord and/or at Landlord's expense shall be deemed real property and a part of the Leased Premises and shall be property of Landlord. All lighting, plumbing, electrical, HVAC fixtures, partitioning, window coverings, wall coverings and floor coverings installed by Tenant shall be deemed improvements to the Leased Premises and not trade fixtures of Tenant.

6.3 **Alterations Required By Law**. Tenant at its sole cost shall make all modifications, alterations and improvements to the Leased Premises, Building 1, the Common Areas or the Property that are required by any Law because of (i) Tenant's use or occupancy of the Leased Premises, Building 1, the Common Areas or the Property, (ii) Tenant's application for any permit or governmental approval, or (iii) Tenant's making of any modifications, alterations or improvements to or within the Leased Premises. If Landlord shall, at any time during the Lease Term, be required by any governmental authority to make any modifications, alterations or improvements to Building 1 or the Property, the cost incurred by Landlord in making such modifications, alterations or improvements, including interest at the Standard Interest Rate, shall be amortized by Landlord over the useful life of such modifications, alterations or improvements, as determined in accordance with GAAP, and the monthly amortized cost of such modifications, alterations and improvements as so amortized shall be considered a Property Maintenance Cost.

6.4 **Liens**. Tenant shall keep the Property and every part thereof free from any lien, and shall pay when due all bills arising out of any work performed, materials furnished, or obligations incurred by Tenant or any of the Tenant Parties relating to the Property. If any such claim of lien is recorded against Tenant's interest in this Lease, the Property or any part thereof, Tenant shall bond against, discharge or otherwise cause such lien to be entirely released within ten (10) business days after Tenant becomes aware of the same. Tenant's failure to do so shall be conclusively deemed a material default under the terms of this Lease.

ARTICLE 7
ASSIGNMENT AND SUBLETTING BY TENANT

7.1 By Tenant. Tenant shall not sublet the Leased Premises or any portion thereof or assign its interest in this Lease, or permit the occupancy of the Premises by other than Tenant, whether voluntarily or by operation of Law, without Landlord's prior written consent which shall not be unreasonably withheld, conditioned, or delayed. Any attempted subletting or assignment, or occupancy of the Leased Premises by other than Tenant, without Landlord's prior written consent, at Landlord's election, shall constitute a default by Tenant under the terms of this Lease. The acceptance of rent by Landlord from any person or entity other than Tenant, or the acceptance of rent by Landlord from Tenant with knowledge of a violation of the provisions of this paragraph, shall not be deemed to be a waiver by Landlord of any provision of this Article or this Lease or to be a consent to any subletting by Tenant or any assignment of Tenant's interest in this Lease. Without limiting the circumstances in which it may be reasonable for Landlord to withhold its consent to an assignment or subletting, Landlord and Tenant acknowledge that it shall be reasonable for Landlord to withhold its consent in the following instances:

(a) the proposed assignee or sublessee is a governmental agency;

(b) in Landlord's reasonable judgment, the use of the Leased Premises by the proposed assignee or sublessee would involve occupancy other than for a Permitted Use, would entail any alterations which would lessen the value of the leasehold improvements in the Leased Premises, or would require increased services by Landlord, or an increase in parking such that the Parking Ratio would be exceeded;

(c) in Landlord's reasonable judgment, the net worth of the proposed assignee (other than an Assignee Affiliate (as defined below)) is less than that of Tenant or does not meet the credit standards applied by Landlord;

(d) the proposed assignee or sublessee (or any of its affiliates) has been in litigation with a previous landlord, or in the ten (10) years prior to the assignment or sublease has filed for bankruptcy protection, has been the subject of an involuntary bankruptcy, or has been adjudged insolvent;

(e) Landlord (or any of its affiliates) has experienced a previous default by or is in litigation with the proposed assignee or sublessee (or any of their affiliates);

(f) in Landlord's reasonable judgment, the Leased Premises, or the relevant part thereof, will be used in a manner that will violate any negative covenant as to use contained in this Lease;

(g) the use of the Leased Premises by the proposed assignee or sublessee will violate any Law or Restriction or the proposed assignee or sublessee is not approved by Ground Lessor;

(h) the proposed assignee or sublessee is a tenant at the Property and Landlord has space available to lease;

(i) the proposed assignment or sublease fails to include all of the terms and provisions required to be included therein pursuant to this Article 7; or

(j) Tenant is in default of any obligation of Tenant under this Lease.

7.2 Merger, Reorganization, or Sale of Assets. (a) Subject to paragraph (b) below: Any dissolution, merger, consolidation or other reorganization of Tenant, or the sale or other transfer in the aggregate over the Lease Term of a controlling percentage of the capital stock of or other equity interests in Tenant, or the sale or transfer of all or a substantial portion of the assets of Tenant, shall be deemed a voluntary assignment of Tenant's interest in this Lease. The phrase "**controlling percentage**" means the direct or indirect ownership of or right to vote (i) stock possessing more than fifty percent (50%) of the total combined voting power of all classes of Tenant's capital stock issued, outstanding and entitled to vote for the election of directors, or (ii) equity interests possessing the ability to direct the management of Tenant. In the event of an acquisition by one entity of the controlling percentage of the capital stock of Tenant where this Lease is not assigned to and assumed in full by such entity, it shall be a condition to Landlord's consent to such change in control that such entity acquiring the controlling percentage assume, as a primary obligor, all rights and obligations of Tenant under this Lease (and such entity shall execute all documents reasonably required to effectuate such assumption).

(b) Notwithstanding subparagraph (a) above, during any period that Tenant is a publicly traded entity, over-the-counter stock market transactions shall not be deemed to be assignments under this Lease. In addition, provided that the conditions described below in this sentence have been satisfied prior to or upon such assignment or subleasing, Tenant may, without Landlord's prior written consent: (1) sublet the Leased Premises or assign this Lease to a wholly owned subsidiary, or an affiliate with respect to which Tenant has a controlling percentage interest, (2) an entity surviving Tenant by merger or other consolidation, or (3) an entity that acquires all or substantially all of Tenant's business or assets, provided that (A) such transaction is not a subterfuge to avoid Tenant's assignment and subletting obligations under this Article 7, (B) the assignee shall have unconditionally assumed Tenant's obligations under this Lease in a form acceptable to Landlord, or in the case of a sublease, the subtenant shall have executed Landlord's standard sublease consent form, and (C) in the case of an assignment or sublease to any party other than such a subsidiary or affiliate of Tenant, the assignee or subtenant has a liquid net worth and EBITDA sufficient for Tenant to continually perform its obligations under the Lease. A transfer meeting the foregoing requirements is referred to in this Lease as a "**Permitted Transfer**." If any assignment or subleasing which requires Landlord's consent occurs without such consent having been granted, Tenant shall be deemed for all purposes to be in material default under this Lease;In all events, Tenant shall remain fully liable under this Lease.

7.3 Landlord's Election. If Tenant shall desire to assign its interest under this Lease or to sublet the Leased Premises, Tenant must first notify Landlord, in writing, of its intent to so assign or sublet, at least thirty (30) days in advance of taking any action with respect thereto. Once Tenant (or Landlord or both pursuant to the joint marketing election described below) has identified a potential assignee or sublessee, Tenant shall notify Landlord, in writing, of its intent to so assign or sublet, at least thirty (30) days in advance of the date it intends to so assign its interest in this Lease or sublet the Leased Premises but not sooner than one hundred eighty (180) days in advance of such date, specifying in detail the terms of such proposed assignment or subletting, including the name of the proposed assignee or sublessee, the proposed assignee's or sublessee's intended use of the Leased Premises, current financial statements (including a balance sheet, income statement and statement of cash flow, all prepared in accordance with generally accepted accounting principles) of such proposed assignee or sublessee, the form of documents to be used in effectuating such assignment or subletting and such other information as Landlord may reasonably request. Landlord shall have a period of ten (10) business days following receipt of such notice and the required information within which to do one of the following: (i) consent to such requested assignment or subletting subject to Tenant's compliance with the conditions set forth in Paragraph 7.4 below, or (ii) refuse to so consent to such requested assignment or subletting, provided that such consent shall not be unreasonably refused, or (iii) terminate this Lease as to the entirety of the Leased Premises (in the case of a proposed assignment), or as to such portion of the Leased Premises as is the subject of the proposed subletting (such termination to be effective on the date specified in Tenant's notice as the intended effective date of the assignment or subletting) if the proposed sublease is for fifty percent (50%) or more of the Leased Premises for the remainder of the Lease Term. During such ten (10) business day period, Tenant covenants and agrees to supply to Landlord, upon request, all necessary or relevant information which Landlord may reasonably request respecting such proposed assignment or subletting and/or the proposed assignee or sublessee. In the event of an election by Landlord under clause (iii) above, Landlord shall have the right to enter into a direct lease with the proposed assignee or sublessee without payment of any consideration to Tenant. In addition, in the event Tenant desires to sublease all or a portion of the Leased Premises, Landlord shall have the right to elect to jointly market with Tenant the applicable portion (including all) of the Leased Premises for subleasing and/or direct leasing, such joint marketing election to be made, if at all, in writing and delivered to Tenant during the thirty (30) day period described in the first sentence of this Paragraph 7.3.

7.4 **Conditions To Landlord's Consent**. If Landlord elects to consent, or shall have been ordered to so consent by a court of competent jurisdiction, to such requested assignment or subletting, such consent shall be expressly conditioned upon the occurrence of each of the conditions below set forth, and any purported assignment or subletting made or ordered prior to the full and complete satisfaction of each of the following conditions shall be void and, at the election of Landlord, which election may be exercised at any time following such a purported assignment or subletting but prior to the satisfaction of each of the stated conditions, shall constitute a material default by Tenant under this Lease until cured by satisfying in full each such condition by the assignee or sublessee. The conditions are as follows:

(a) Except in the case of Permitted Transfer, Landlord having approved in form and substance the assignment or sublease agreement and any ancillary documents, which approval shall not be unreasonably withheld by Landlord if the requirements of this Article 7 are otherwise complied with.

(b) Each such sublessee or assignee having agreed, in writing satisfactory to Landlord and its counsel and for the benefit of Landlord, to assume, to be bound by, and to perform the obligations of this Lease to be performed by Tenant which relate to space being subleased or assigned.

(c) Tenant having fully and completely performed all of its obligations under the terms of this Lease through and including the date of such assignment or subletting.

(d) Tenant having reimbursed to Landlord all reasonable costs and reasonable attorneys' fees incurred by Landlord in conjunction with the processing and documentation of any such requested subletting or assignment. Tenant shall be obligated to so reimburse Landlord whether or not such subletting or assignment is completed.

(e) Tenant having delivered to Landlord a complete and fully-executed duplicate original of such sublease agreement or assignment agreement (as applicable) and all related agreements.

(f) Ground Lessor having approved such requested assignment or subletting.

(g) Tenant having paid, or having agreed in writing to pay as to future payments, to Landlord [**] percent ([**]) of all Assignment Consideration or Excess Rentals (as such terms are defined in Paragraph 7.5 below) to be paid to Tenant or to any other on Tenant's behalf or for Tenant's benefit for such assignment or subletting as follows:

(i) If Tenant assigns its interest under this Lease and if all or a portion of the consideration for such assignment is to be paid by the assignee at the time of the assignment, that Tenant shall have paid to Landlord and Landlord shall have received an amount equal to [**] percent ([**]) of the Assignment Consideration so paid or to be paid (whichever is the greater) at the time of the assignment by the assignee; or

(ii) If Tenant assigns its interest under this Lease and if Tenant is to receive all or a portion of the consideration for such assignment in future installments, that Tenant and Tenant's assignee shall have entered into a written agreement with and for the benefit of Landlord satisfactory to Landlord and its counsel whereby Tenant and Tenant's assignee jointly agree to pay to Landlord an amount equal to [**] percent ([**]) of all such future Assignment Consideration installments to be paid by such assignee as and when such Assignment Consideration is so paid; or

(iii) If Tenant subleases the Leased Premises, that Tenant and Tenant's sublessee shall have entered into a written agreement with and for the benefit of Landlord satisfactory to Landlord and its counsel whereby Tenant and Tenant's sublessee jointly agree to pay to Landlord [**] percent ([**]) of all Excess Rentals to be paid by such sublessee.

7.5 **Assignment Consideration And Excess Rentals Defined.** For purposes of this Article, including any amendment to this Article by way of addendum or other writing: (i) the term "**Assignment Consideration**" shall mean all consideration to be paid by the assignee to Tenant or to any other party on Tenant's behalf or for Tenant's benefit as consideration for such assignment relating solely to Tenant's interest in this Lease (as opposed to consideration for any interest in Tenant's business including without limitation, goodwill, intellectual property, personal property other than improvements in the Leased Premises, intangible property, etc.), without deduction for any costs or expenses except that Tenant may first recover third party, market rate leasing commissions paid, reasonable attorneys' fees paid, and tenant improvement costs, and out-of-pocket rent concessions, incurred in connection with the assignment, and (ii) the term "**Excess Rentals**" shall mean all consideration to be paid by the sublessee to Tenant or to any other party on Tenant's behalf or for Tenant's benefit for the sublease of all or any part of the Leased Premises in excess of the rent due to Landlord under the terms of this Lease for the portion subleased for the same period relating solely to Tenant's interest in this Lease (as opposed to consideration for any interest in Tenant's business including without limitation, goodwill, intellectual property, personal property other than improvements in the Leased Premises, intangible property, etc.), without deduction for any costs or expenses, except that Tenant may first recover third party, market rate leasing commissions paid, reasonable attorneys' fees paid, and tenant improvement costs, and out-of-pocket rent concessions, incurred in connection with the sublease. Tenant agrees that any Assignment Consideration and/or Excess Rentals which are to be paid to Landlord pursuant to this Article now are and shall then be the property of Landlord and not the property of Tenant.

7.6 **Payments.** All payments required by this Article to be made to Landlord shall be made in cash in full as and when they become due. At the time Tenant, Tenant's assignee or sublessee makes each such payment to Landlord, Tenant or Tenant's assignee or sublessee, as the case may be, shall deliver to Landlord an itemized statement in reasonable detail showing the method by which the amount due Landlord was calculated and certified by the party making such payment as true and correct.

7.7 **Good Faith.** The rights granted to Tenant by this Article are granted in consideration of Tenant's express covenant, which Tenant hereby makes, that all pertinent allocations which are made by Tenant between the rental value of the Leased Premises and the value of any of Tenant's personal property which may be conveyed or leased (or services provided) generally concurrently with and which may reasonably be considered a part of the same transaction as the permitted assignment or subletting shall be made fairly, honestly and in good faith. If Tenant shall breach this covenant, Landlord may immediately declare Tenant to be in default under the terms of this Lease and terminate this Lease and/or exercise any other rights and remedies Landlord would have under the terms of this Lease in the case of a material default by Tenant under this Lease.

7.8 Effect Of Landlord's Consent. No subletting or assignment, even with the consent of Landlord, shall relieve Tenant of its personal and primary obligation to pay rent and to perform all of the other obligations to be performed by Tenant hereunder, and Tenant hereby agrees as follows in connection with any assignment of this Lease:

(a) The liability of Tenant under this Lease shall be primary, and in any right of action which shall accrue to Landlord under this Lease, Landlord may, at its option, proceed against Tenant without having commenced any action or obtained any judgment against an assignee. Tenant further agrees that it may be joined in any action against an assignee in connection with the said obligations of assignee and recovery may be had against Tenant in any such action. Tenant hereby expressly waives the benefits and defenses under California Civil Code Sections 2821, 2839, 2847, 2848, 2849 and 2855 to the fullest extent permitted by applicable law.

(b) If an assignee is in default of its obligations under this Lease, Landlord may proceed against either Tenant or the assignee, or both, or Landlord may enforce against Tenant or the assignee any rights that Landlord has under this Lease, in equity or under applicable law. If this Lease terminates due to an assignee's default or bankruptcy or similar debtor protection law, Landlord may enforce this Lease against Tenant, even if Landlord would be unable to enforce it against the assignee. Tenant specifically agrees and understands that Landlord may proceed forthwith and immediately against an assignee or against Tenant following any default by an assignee. Tenant hereby waives all benefits and defenses under California Civil Code Sections 2845, 2848, 2849 and 2850, including without limitation: (i) the right to require Landlord to proceed against an assignee, proceed against or exhaust any security that Landlord holds from an assignee or pursue any other remedy in Landlord's power; (ii) any defense to its obligations hereunder based on the termination or limitation of an assignee's liability; and (iii) all notices of the existence, creation, or incurring of new or additional obligations. Landlord shall have the right to enforce this Lease regardless of the release or discharge of an assignee by Landlord or by operation of any law relating to protection of debtors, bankruptcy, assignments for the benefit of creditors, or insolvency.

(c) The obligations of Tenant under this Lease shall remain in full force and effect and Tenant shall not be discharged or limited by any of the following events with respect to an assignee or Tenant: (i) insolvency, bankruptcy, reorganization arrangement, adjustment, composition, assignment for the benefits of creditors, liquidation, winding up or dissolution (each a "Financial Proceeding"); of (ii) any merger, acquisition, consolidation or change in entity structure, or any sale, lease, transfer, or other disposition of any entity's assets, or any sale or other transfer of interests in the entity (each an "Event of Reorganization"); or (iii) any sale, exchange, assignment, hypothecation or other transfer, in whole or in part, of Landlord's interest in the Leased Premises or the Lease. Without limiting the foregoing, Tenant hereby expressly waives the benefits and defenses under any statute or judicial decision (including but not limited to the case styled In Re Arden, 176 F. 3d 1226 (9th Cir. 1999)) that would otherwise (i.e., were it not for such waiver) permit Tenant to claim or obtain the benefit of any so called "capped claim" available to an assignee in any Financial Proceeding. If all or any portion of the obligations guaranteed hereunder are paid or performed and all or any part of such payment or performance is avoided or recovered, directly or indirectly, from Landlord as a preference, fraudulent transfer or otherwise, then Tenant's obligations hereunder shall continue and remain in full force and effect as to any such avoided or recovered payment or performance.

(d) The provisions of this Lease may be changed by agreement between Landlord and an assignee without the consent of or notice to Tenant. This Lease may be assigned by Landlord or an assignee, and the Leased Premises, or a portion thereof, may be sublet by an assignee, all in accordance with the provisions of this Lease, without the consent of or notice to Tenant. Tenant shall remain primarily liable for the performance of the Lease so assigned, provided that Tenant shall not be liable for any increase in liability occasioned by a change in the provisions of this Lease made by Landlord and an assignee without the consent of Tenant. Without limiting the generality of the foregoing, Tenant waives the rights and benefits of California Civil Code Sections 2819 and 2820 with respect to any change to the Lease between Landlord and an assignee, and agrees that by doing so Tenant's liability shall continue even if (i) Landlord and an assignee alter any Lease obligations, or (ii) Tenant's remedies or rights against an assignee are impaired or suspended without Tenant's consent by such alteration of Lease obligations.

Consent by Landlord to one or more assignments of Tenant's interest in this Lease or to one or more sublettings of the Leased Premises shall not be deemed to be a consent to any subsequent assignment or subletting. No subtenant shall have any right to assign its sublease or to further sublet any portion of the sublet premises or to permit any portion of the sublet premises to be used or occupied by any other party. No sublease may be terminated or modified without Landlord's prior written consent. If Landlord shall have been ordered by a court of competent jurisdiction to consent to a requested assignment or subletting, or such an assignment or subletting shall have been ordered by a court of competent jurisdiction over the objection of Landlord, such assignment or subletting shall not be binding between the assignee (or sublessee) and Landlord until such time as all conditions set forth in Paragraph 7.4 above have been fully satisfied (to the extent not then satisfied) by the assignee or sublessee, including, without limitation, the payment to Landlord of all agreed Assignment Consideration and/or Excess Rentals then due Landlord. Upon a default while a sublease is in effect, Landlord may collect directly from the sublessee all sums becoming due to Tenant under the sublease and apply this amount against any sums due Landlord by Tenant, and Tenant authorizes and directs any sublessee to make payments directly to Landlord upon notice from Landlord. No direct collection by Landlord from any sublessee shall constitute a novation or release of Tenant or any guarantor, a consent to the sublease or a waiver of the covenant prohibiting subleases. Landlord, as Tenant's agent, may endorse any check, draft or other instrument payable to Tenant for sums due under a sublease, and apply the proceeds in accordance with this Lease; this agency is coupled with an interest and is irrevocable.

ARTICLE 8
LIMITATION ON LANDLORD'S LIABILITY AND INDEMNITY

8.1 Limitation On Landlord's Liability And Release. Landlord shall not be liable to Tenant for, and Tenant hereby releases and waives all claims and rights of recovery against Landlord and its partners, principals, members, managers, officers, agents, employees, lenders, attorneys, contractors, invitees, consultants, predecessors, successors and assigns (including without limitation prior and subsequent owners of the Property or portions thereof) (collectively, the "**Landlord Indemnitees**") from, any and all liability, whether in contract, tort or on any other basis, for any injury to or any damage sustained by Tenant or any of the Tenant Parties, any damage to the property of Tenant or any of the Tenant Parties, or any loss of business or profits or other financial loss of Tenant or any of the Tenant Parties resulting from or attributable to the condition of, the management of, the repair or maintenance of, the protection of, the supply of services or utilities to, the damage in or destruction of the Leased Premises, Building 1, the Property or the Common Areas, including without limitation (i) the failure, interruption, rationing or other curtailment or cessation in the supply of electricity, water, gas or other utility service to the Property, Building 1 or the Leased Premises; (ii) the vandalism or forcible entry into Building 1 or the Leased Premises; (iii) the penetration of water into or onto any portion of the Leased Premises; (iv) the failure to provide security and/or adequate lighting in or about the Property, Building 1 or the Leased Premises, (v) the existence of any design or construction defects within the Property, Building 1 or the Leased Premises; (vi) the failure of any mechanical systems to function properly (such as the HVAC systems); (vii) the blockage of access to any portion of the Property, Building 1 or the Leased Premises, except that Tenant does not so release Landlord from such liability to the extent such damage was proximately caused by Landlord's gross negligence, willful misconduct, or Landlord's failure to perform an obligation expressly undertaken by Landlord pursuant to this Lease after a reasonable period of time shall have lapsed following receipt of written notice from Tenant to so perform such obligation. In this regard, Tenant acknowledges that it is fully apprised of the provisions of Law relating to releases, and particularly to those provisions contained in Section 1542 of the California Civil Code which reads as follows:

> "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

Notwithstanding such statutory provision, and for the purpose of implementing a full and complete release and discharge, Tenant hereby (i) waives the benefit of such statutory provision and (ii) acknowledges that, subject to the exceptions specifically set forth herein, the release and discharge set forth in this paragraph is a full and complete settlement and release and discharge of all claims and is intended to include in its effect, without limitation, all claims which Tenant, as of the date hereof, does not know of or suspect to exist in its favor.

8.2 **Tenant's Indemnification Of Landlord.** Tenant shall defend with competent counsel satisfactory to Landlord any claims made or legal actions filed or threatened against the Landlord Indemnitees with respect to the violation of any Law, or the death, bodily injury, personal injury, property damage, or interference with contractual or property rights suffered by any third party occurring within the Leased Premises or resulting from the use or occupancy of the Leased Premises by Tenant or any of the Tenant Parties, Building 1 or the Common Areas, or resulting from the activities of Tenant or any of the Tenant Parties in or about the Leased Premises, Building 1, the Common Areas or the Property, and Tenant shall indemnify and hold the Landlord Indemnitees harmless from any loss liability, penalties, or expense whatsoever (including any loss attributable to vacant space which otherwise would have been leased, but for such activities) resulting therefrom, except to the extent proximately caused by the negligence or willful misconduct of Landlord. This indemnity agreement shall survive the expiration or sooner termination of this Lease.

8.3 **Landlord's Indemnification Of Tenant.** Landlord's Indemnification of Tenant. Landlord shall defend with competent counsel satisfactory to Tenant any claims made or legal actions filed or threatened against the Tenant its partners, principals, members, managers, officers, agents, employees, lenders, attorneys, contractors, invitees, consultants, predecessors, successors and assigns to the extent proximately caused by the gross negligence or willful misconduct of Landlord. This indemnity agreement shall survive the expiration or sooner termination of this Lease.

ARTICLE 9
INSURANCE

9.1 **Tenant's Insurance.** Tenant shall maintain insurance complying with all of the following:

(a) Tenant shall procure, pay for and keep in full force and effect, at all times during the Lease Term, the following:

(i) Commercial general liability insurance insuring Tenant against liability for personal injury, bodily injury, death and damage to property occurring within the Leased Premises, or resulting from Tenant's use or occupancy of the Leased Premises, Building 1, the Common Areas or the

Property, or resulting from Tenant's activities in or about the Leased Premises or the Property, with coverage in an amount equal to Tenant's Required Liability Coverage (as set forth in Article 1), which insurance shall contain "blanket contractual liability" and "broad form property damage" endorsements insuring Tenant's performance of Tenant's obligations to indemnify Landlord as contained in this Lease.

(ii) Fire and property damage insurance in "special form" coverage insuring Tenant against loss from physical damage to Tenant's personal property, inventory, trade fixtures and improvements within the Leased Premises with coverage for the full actual replacement cost thereof;

(iii) Business income/extra expense insurance sufficient to pay Base Monthly Rent and Additional Rent for a period of not less than twelve (12) months;

(iv) Plate glass insurance, at actual replacement cost;

(v) Boiler and machinery insurance, to limits sufficient to restore Building 1;

(vi) Product liability insurance (including, without limitation, if food and/or beverages are distributed, sold and/or consumed within the Leased Premises, to the extent obtainable, coverage for liability arising out of the distribution, sale, use or consumption of food and/or beverages (including alcoholic beverages, if applicable) at the Leased Premises for not less than Tenant's Required Liability Coverage (as set forth in Article 1);

(vii) Workers' compensation insurance (statutory coverage) with employer's liability in amounts not less than $1,000,000 insurance sufficient to comply with all laws; and

(viii) With respect to making of any alterations or modifications or the construction of improvements or the like undertaken by Tenant, course of construction, commercial general liability, automobile liability and workers' compensation (to be carried by Tenant's contractor), in an amount and with coverage reasonably satisfactory to Landlord.

(b) Each policy of liability insurance required to be carried by Tenant pursuant to this paragraph or actually carried by Tenant with respect to the Leased Premises or the Property: (i) shall, except with respect to insurance required by subparagraphs (a)(ii) and (a)(viii) above, name Landlord, and such others as are designated by Landlord, as additional insureds; (ii) shall, with respect to insurance required by subparagraph (a)(ii) above, name Landlord, and such others as are designated by Landlord, as loss payees; (iii) shall be primary insurance providing that the insurer shall be liable for the full amount of the loss, up to and including the total amount of liability set forth in the declaration of coverage, without the right of contribution from or prior payment by any other insurance coverage of Landlord; (iv) shall be in a form satisfactory to Landlord; (v) shall be carried with companies reasonably acceptable to Landlord with Best's ratings of at least A and XI; (vi) shall provide that such policy shall not be subject to cancellation, lapse or change except after at least thirty (30) days prior written notice to Landlord, and (vii) shall contain a so-called "severability" or "cross liability" endorsement. Each policy of property insurance maintained by Tenant with respect to the Leased Premises or the Property or any property therein (i) shall provide that such policy shall not be subject to cancellation, lapse or change except after at least thirty (30) days prior written notice to Landlord and (ii) shall contain a waiver and/or a permission to waive by the insurer of any right of subrogation against Landlord, its partners, principals, members, managers, officers, employees, agents and contractors, which might arise by reason of any payment under such policy or by reason of any act or omission of Landlord, its partners, principals, members, managers, officers, employees, agents and contractors.

(c) Prior to the time Tenant or any of its contractors enters the Leased Premises, Tenant shall deliver to Landlord, with respect to each policy of insurance required to be carried by Tenant pursuant to this Article, a copy of such policy (appropriately authenticated by the insurer as having been issued, premium paid) or a certificate of the insurer certifying in form satisfactory to Landlord that a policy has been issued, premium paid, providing the coverage required by this Paragraph and containing the provisions specified herein. With respect to each renewal or replacement of any such insurance, the requirements of this Paragraph must be complied with not less than thirty days prior to the expiration or cancellation of the policies being renewed or replaced. Landlord may, at any time and from time to time, inspect and/or copy any and all insurance policies required to be carried by Tenant pursuant to this Article. If Landlord's Lender, insurance broker, advisor or counsel reasonably determines at any time that the amount of coverage set forth in Paragraph 9.1(a) for any policy of insurance Tenant is required to carry pursuant to this Article is not adequate, then Tenant shall increase the amount of coverage for such insurance to such greater amount as Landlord's Lender, insurance broker, advisor or counsel reasonably deems adequate. In the event Tenant does not maintain said insurance, Landlord may, in its sole discretion and without waiving any other remedies hereunder, procure said insurance and Tenant shall pay to Landlord as additional rent the cost of said insurance plus a [**] percent ([**]) administrative fee.

9.2 Landlord's Insurance. With respect to insurance maintained by Landlord:

(a) Landlord shall maintain, as the minimum coverage required of it by this Lease, fire and property damage insurance in so-called special form coverage insuring Landlord (and such others as Landlord may designate) against loss from physical damage to Building 1 with coverage of not less than one hundred percent (100%) of the full actual replacement cost thereof and against loss of rents for a period of not less than six months. Such fire and property damage insurance, at Landlord's election but without any requirements on Landlord's behalf to do so, (i) may be written in so-called "all risk" form, excluding only those perils commonly excluded from such coverage by Landlord's then property damage insurer; (ii) may provide coverage for physical damage to the improvements so insured for up to the entire full actual replacement cost thereof; (iii) may be endorsed to cover loss or damage caused by any additional perils against which Landlord may elect to insure, including earthquake and/or flood; and/or (iv) may provide coverage for loss of rents for a period of up to twelve (12) months. Landlord shall not be required to cause such insurance to cover any of Tenant's personal property, inventory, and trade fixtures, or any modifications, alterations or improvements made or constructed by Tenant to or within the Leased Premises. Landlord shall use commercially reasonable efforts to obtain such insurance at competitive rates.

(b) Landlord shall maintain commercial general liability insurance insuring Landlord (and such others as are designated by Landlord) against liability for personal injury, bodily injury, death, and damage to property occurring in, on or about, or resulting from the use or occupancy of the Property, or any portion thereof, with combined single limit coverage of at least Ten Million Dollars ($10,000,000). Landlord may carry such greater coverage as Landlord or Landlord's Lender, insurance broker, advisor or counsel may from time to time determine is reasonably necessary for the adequate protection of Landlord and the Property.

(c) Landlord may maintain any other insurance which in the opinion of its insurance broker, advisor or legal counsel is prudent to carry under the given circumstances, provided such insurance is commonly carried by owners of property similarly situated and operating under similar circumstances.

9.3 Mutual Waiver Of Subrogation. Landlord hereby releases Tenant, and Tenant hereby releases Landlord and its respective partners, principals, members, managers, officers, agents, employees and servants, from any and all liability for loss, damage or injury to the property of the other in or about the Leased Premises or the Property which is caused by or results from a peril or event or happening which is covered by insurance actually carried and in force at the time of the loss by the party sustaining such loss; provided, however, that such waiver shall be effective only to the extent permitted by the insurance covering such loss and to the extent such insurance is not prejudiced thereby.

ARTICLE 10
DAMAGE TO LEASED PREMISES

10.1 Landlord's Duty To Restore. If the Leased Premises, Building 1 or the Common Area are damaged by any peril after the Effective Date of this Lease, Landlord shall restore the same, as and when required by this paragraph, unless this Lease is terminated by Landlord pursuant to Paragraph 10.3 or by Tenant pursuant to Paragraph 10.4. If this Lease is not so terminated, then upon the issuance of all necessary governmental permits, Landlord shall commence and diligently prosecute to completion the restoration of the Leased Premises, Building 1 or the Common Area, as the case may be, to the extent then allowed by law, to substantially the same condition in which it existed as of the Lease Commencement Date. Landlord's obligation to restore shall be limited to the improvements constructed by Landlord. Landlord shall have no obligation to restore any alterations, modifications or improvements made by Tenant to the Leased Premises or any of Tenant's personal property, inventory or trade fixtures. Upon completion of the restoration by Landlord, Tenant shall forthwith replace or fully repair all of Tenant's personal property, inventory, trade fixtures and other improvements constructed by Tenant to like or similar conditions as existed at the time immediately prior to such damage or destruction.

10.2 Insurance Proceeds. All insurance proceeds available from the fire and property damage insurance carried by Landlord shall be paid to and become the property of Landlord. If this Lease is terminated pursuant to either Paragraph 10.3 or 10.4, all insurance proceeds available from insurance carried by Tenant which cover loss of property that is Landlord's property or would become Landlord's property on termination of this Lease shall be paid to and become the property of Landlord, and the remainder of such proceeds shall be paid to and become the property of Tenant. If this Lease is not terminated pursuant to either Paragraph 10.3 or 10.4, all insurance proceeds available from insurance carried by Tenant which cover loss to property that is Landlord's property shall be paid to and become the property of Landlord, and all proceeds available from such insurance which cover loss to property which would only become the property of Landlord upon the termination of this Lease shall be paid to and remain the property of Tenant. The determination of Landlord's property and Tenant's property shall be made pursuant to Paragraph 6.2.

10.3 Landlord's Right To Terminate. Landlord shall have the option to terminate this Lease in the event any of the following occurs, which option may be exercised only by delivery to Tenant of a written notice of election to terminate within thirty (30) days after the date of such damage or destruction:

(a) Building 1 is damaged by any peril covered by valid and collectible insurance actually carried by Landlord and in force at the time of such damage or destruction (an "**insured peril**") to such an extent that the estimated cost to restore Building 1 exceeds the lesser of (i) the insurance proceeds available from insurance actually carried by Landlord, or (ii) fifty percent of the then actual replacement cost thereof;

(b) Building 1 is damaged by an uninsured peril, which peril Landlord was not required to insure against pursuant to the provisions of Article 9 of this Lease.

(c) Building 1 is damaged by any peril and, because of the Laws or Restrictions then in force, Building 1 (i) cannot be restored at reasonable cost or (ii) if restored, cannot be used for the same use being made thereof before such damage.

Building 1

10.4 Tenant's Right To Terminate. If the Leased Premises, Building 1 or the Common Area are damaged by any peril and Landlord does not elect to terminate this Lease or is not entitled to terminate this Lease pursuant to this Article, then as soon as reasonably practicable, Landlord shall furnish Tenant with the written opinion of Landlord's architect or construction consultant as to when the restoration work required of Landlord may be complete. Tenant shall have the option to terminate this Lease (if there is not then existing an Event of Default as defined in Paragraph 12.1 below) in the event any of the following occurs, which option may be exercised only by delivery to Landlord of a written notice of election to terminate within seven days after Tenant receives from Landlord the estimate of the time needed to complete such restoration:

(a) If the time estimated to substantially complete the restoration exceeds twelve (12) months from and after the date the architect's or construction consultant's written opinion is delivered; or

(b) If the damage occurred within twelve (12) months of the last day of the Lease Term and the time estimated to substantially complete the restoration exceeds sixty (60) days from and after the date such restoration is commenced.

10.5 Tenant's Waiver. Landlord and Tenant agree that the provisions of Paragraph 10.4 above, captioned "Tenant's Right To Terminate", are intended to supersede and replace the provisions contained in California Civil Code, Section 1932, Subdivision 2, and California Civil Code, Section 1933, and accordingly, Tenant hereby waives the provisions of such Civil Code Sections and the provisions of any successor Civil Code Sections or similar laws hereinafter enacted.

10.6 Abatement Of Rent. In the event of damage to the Leased Premises which does not result in the termination of this Lease, then effective upon and after the expiration of the period insured by any applicable rental or business interruption insurance (the "**Insured Period**"), the Base Monthly Rent (and any Additional Rent) shall be temporarily abated during the period (after the Insured Period) of Landlord's and/or Tenant's (as applicable) restoration, in proportion in the degree to which Tenant's use of the Leased Premises (during the restoration period but after the Insured Period) is impaired by such damage.

ARTICLE 11
CONDEMNATION

11.1 Tenant's Right To Terminate. Except as otherwise provided in Paragraph 11.4 below regarding temporary takings, Tenant shall have the option to terminate this Lease if, as a result of any taking, (i) all of the Leased Premises is taken, or (ii) twenty-five percent (25%) or more of the Leased Premises is taken and the part of the Leased Premises that remains cannot, within a reasonable period of time, be made reasonably suitable for the continued operation of Tenant's business. Tenant must exercise such option within a reasonable period of time, to be effective on the later to occur of (i) the date that possession of that portion of the Leased Premises that is condemned is taken by the condemnor or (ii) the date Tenant vacated the Leased Premises.

11.2 Landlord's Right To Terminate. Except as otherwise provided in Paragraph 11.4 below regarding temporary takings, Landlord shall have the option to terminate this Lease if, as a result of any taking, (i) all of the Leased Premises is taken, (ii) fifty percent (50%) or more of the Leased Premises is taken and the part of the Leased Premises that remains cannot, within a reasonable period of time, be made reasonably suitable for the continued operation of Tenant's business, or (iii) because of the Laws or Restrictions then in force, the Leased Premises may not be used for the same use being made before such taking, whether or not restored as required by Paragraph 11.3 below. Any such option to terminate by

Landlord must be exercised within a reasonable period of time, to be effective as of the date possession is taken by the condemnor.

11.3 Restoration. If any part of the Leased Premises or Building 1 is taken and this Lease is not terminated, then Landlord shall, to the extent not prohibited by Laws or Restrictions then in force, repair any damage occasioned thereby to the remainder thereof to a condition reasonably suitable for Tenant's continued operations and otherwise, to the extent practicable, in the manner and to the extent provided in Paragraph 10.1.

11.4 Temporary Taking. If a material portion of the Leased Premises is temporarily taken for a period of one year or less and such period does not extend beyond the Lease Expiration Date, this Lease shall remain in effect. If any material portion of the Leased Premises is temporarily taken for a period which exceeds one year or which extends beyond the Lease Expiration Date, then the rights of Landlord and Tenant shall be determined in accordance with Paragraphs 11.1 and 11.2 above.

11.5 Division Of Condemnation Award. Any award made for any taking of the Property, Building 1, or the Leased Premises, or any portion thereof, shall belong to and be paid to Landlord, and Tenant hereby assigns to Landlord all of its right, title and interest in any such award; provided, however, that Tenant shall be entitled to receive any portion of the award that is made specifically (i) for the taking of personal property, inventory or trade fixtures belonging to Tenant, (ii) for the interruption of Tenant's business or its moving costs, or (iii) for the value of any leasehold improvements installed and paid for by Tenant. The rights of Landlord and Tenant regarding any condemnation shall be determined as provided in this Article, and each party hereby waives the provisions of Section 1265.130 of the California Code of Civil Procedure, and the provisions of any similar law hereinafter enacted, allowing either party to petition the Supreme Court to terminate this Lease and/or otherwise allocate condemnation awards between Landlord and Tenant in the event of a taking of the Leased Premises.

11.6 Abatement Of Rent. In the event of a taking of the Leased Premises which does not result in a termination of this Lease (other than a temporary taking), then, as of the date possession is taken by the condemning authority, the Base Monthly Rent shall be reduced in the same proportion that the area of that part of the Leased Premises so taken (less any addition to the area of the Leased Premises by reason of any reconstruction) bears to the area of the Leased Premises immediately prior to such taking.

11.7 Taking Defined. The term "**taking**" or "**taken**" as used in this Article 11 shall mean any transfer or conveyance of all or any portion of the Property to a public or quasi-public agency or other entity having the power of eminent domain pursuant to or as a result of the exercise of such power by such an agency, including any inverse condemnation and/or any sale or transfer by Landlord of all or any portion of the Property to such an agency under threat of condemnation or the exercise of such power.

ARTICLE 12
DEFAULT AND REMEDIES

12.1 Events Of Tenant's Default. Tenant shall be in default of its obligations under this Lease and an Event of Default shall have occurred if any of the following events occur:

(a) Tenant shall have failed to pay Base Monthly Rent or any Additional Rent when due; provided that Tenant shall be entitled to receive written notice of late payment two (2) times during each year of the Lease Term, and with respect to those two (2) late payments, Tenant shall not be in default under this Paragraph 12.1(a) unless Tenant has failed to make the required payment within five (5) days after such notice from Landlord. After the second notice has been given, Landlord shall not be required to provide any further notices to Tenant; or

(b) Tenant shall have done or permitted to be done any act, use or thing in its use, occupancy or possession of the Leased Premises or Building 1 or the Common Areas which is prohibited by the terms of this Lease which is not cured within thirty (30) days after receipt of notice of such prohibited act; or

(c) Tenant shall have failed to perform any term, covenant or condition of this Lease (except those requiring the payment of Base Monthly Rent or Additional Rent, which failures shall be governed by subparagraph (a) above) within the shorter of (i) any specific time period expressly provided under this Lease for the performance of such term, covenant or condition, or (ii) thirty (30) days after written notice from Landlord to Tenant specifying the nature of such failure and requesting Tenant to perform same, or within such longer period as is reasonably required in the event such default is curable but not within such thirty (30) day period, provided such cure is promptly commenced within such thirty (30) day period and is thereafter diligently prosecuted to completion; or

(d) (i) Tenant shall have sublet the Leased Premises or assigned or encumbered its interest in this Lease in violation of the provisions contained in Article 7, or (ii) any guarantor shall have assigned or delegated its rights or obligations under the applicable guaranty without first obtaining Landlord's written consent if and as required by the terms of the applicable guaranty, in either case (i) or (ii), whether voluntarily or by operation of law; or

(e) Tenant shall have abandoned the Leased Premises (within the meaning of California Civil Code section 1951.4); or

(f) Tenant or any guarantor of this Lease shall have permitted or suffered the sequestration or attachment of, or execution on, or the appointment of a custodian or receiver with respect to, all or any substantial part of the property or assets of Tenant (or such guarantor) or any property or asset essential to the conduct of Tenant's (or such guarantor's) business, and Tenant (or such guarantor) shall have failed to obtain a return or release of the same within thirty days thereafter, or prior to sale pursuant to such sequestration, attachment or levy, whichever is earlier; or

(g) Tenant or any guarantor of this Lease shall have made a general assignment of all or a substantial part of its assets for the benefit of its creditors; or

(h) Tenant or any guarantor of this Lease shall have allowed (or sought) to have entered against it a decree or order which: (i) grants or constitutes an order for relief, appointment of a trustee, or condemnation or a reorganization plan under the bankruptcy laws of the United States; (ii) approves as properly filed a petition seeking liquidation or reorganization under said bankruptcy laws or any other debtor's relief law or similar statute of the United States or any state thereof; or (iii) otherwise directs the winding up or liquidation of Tenant; provided, however, if any decree or order was entered without Tenant's consent or over Tenant's objection, Landlord may not terminate this Lease pursuant to this Subparagraph if such decree or order is rescinded or reversed within thirty (30) days after its original entry; or

(i) Tenant or any guarantor of this Lease shall have availed itself of the protection of any debtor's relief law, moratorium law or other similar law which does not require the prior entry of a decree or order; or

(j) Tenant shall have failed to comply with the requirements of the Ground Lease at all times or shall have conducted any activities which constitute a breach of the Ground Lease; or

(k) Tenant (or its affiliate) shall be in default of its obligations under any lease between Landlord (or its affiliate) and Tenant (or its affiliate).

12.2 Landlord's Remedies. In the event of any default by Tenant, and without limiting Landlord's right to indemnification as provided in Article 8.2, Landlord shall have the following remedies, in addition to all other rights and remedies provided by law or otherwise provided in this Lease, to which Landlord may resort cumulatively, or in the alternative:

(a) Landlord may, at Landlord's election, keep this Lease in effect and enforce, by an action at law or in equity, all of its rights and remedies under this Lease including, without limitation, (i) the right to recover the rent and other sums as they become due by appropriate legal action, (ii) the right to make payments required by Tenant, or perform Tenant's obligations and be reimbursed by Tenant for the cost thereof with interest at the Default Interest Rate from the date the sum is paid by Landlord until Landlord is reimbursed by Tenant, and (iii) the remedies of injunctive relief and specific performance to prevent Tenant from violating the terms of this Lease and/or to compel Tenant to perform its obligations under this Lease, as the case may be.

(b) Landlord may, at Landlord's election, terminate this Lease by giving Tenant written notice of termination, in which event this Lease shall terminate on the date set forth for termination in such notice, in which event Tenant shall immediately surrender the Leased Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Leased Premises and expel or remove Tenant and any other person who may be occupying the Leased Premises or any part thereof, without being liable for prosecution or any claim for damages therefor. Any termination under this subparagraph shall not relieve Tenant from its obligation to pay to Landlord all Base Monthly Rent and Additional Rent then or thereafter due, or any other sums due or thereafter accruing to Landlord, or from any claim against Tenant for damages previously accrued or then or thereafter accruing. In no event shall any one or more of the following actions by Landlord, in the absence of a written election by Landlord to terminate this Lease constitute a termination of this Lease:

(i) Appointment of a receiver or keeper in order to protect Landlord's interest hereunder;

(ii) Consent to any subletting of the Leased Premises or assignment of this Lease by Tenant, whether pursuant to the provisions hereof or otherwise; or

(iii) Any action taken by Landlord or its partners, principals, managers, members, officers, agents, employees, or servants, which is intended to mitigate the adverse effects of any breach of this Lease by Tenant, including, without limitation, any action taken to maintain and preserve the Leased Premises on any action taken to relet the Leased Premises or any portion thereof for the account at Tenant and in the name of Tenant.

(c) In the event Tenant breaches this Lease and abandons the Leased Premises, Landlord may terminate this Lease, but this Lease shall not terminate unless Landlord gives Tenant written notice of termination. If Landlord does not terminate this Lease by giving written notice of termination, Landlord may enforce all its rights and remedies under this Lease, including the right and remedies provided by California Civil Code Section 1951.4 ("lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has right to sublet or assign, subject only to reasonable limitations"), as in effect on the Effective Date of this Lease.

(d) In the event Landlord terminates this Lease, Landlord shall be entitled, at Landlord's election, to the rights and remedies provided in California Civil Code Section 1951.2, as in effect on the Effective Date of this Lease. For purposes of computing damages pursuant to Section 1951.2, an interest rate equal to the Default Interest Rate shall be used where permitted by Law. Such damages shall include, without limitation:

(i) The worth at the time of the award of the unpaid rent which had been earned at the time of termination; plus

(ii) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided, computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco, at the time of award plus one percent; plus

(iv) Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform Tenant's obligations under this Lease, or which in the ordinary course of things would be likely to result therefrom, including without limitation, the following: (i) expenses for cleaning, repairing or restoring the Leased Premises, (ii) expenses for altering, remodeling or otherwise improving the Leased Premises for the purpose of reletting, including removal of existing leasehold improvements and/or installation of additional leasehold improvements (regardless of how the same is funded, including reduction of rent, a direct payment or allowance to a new tenant, or otherwise), (iii) broker's fees allocable to the remainder of the term of this Lease, advertising costs and other expenses of reletting the Leased Premises; (iv) costs of carrying and maintaining the Leased Premises, such as taxes, insurance premiums, utility charges and security precautions (although the foregoing shall not in any way modify Paragraph 5.3 above), (v) expenses incurred in removing, disposing of and/or storing any of Tenant's personal property, inventory or trade fixtures remaining therein; (vi) reasonable attorney's fees, expert witness fees, court costs and other reasonable expenses incurred by Landlord (but not limited to taxable costs) in retaking possession of the Leased Premises, establishing damages hereunder, and releasing the Leased Premises; and (vii) any other expenses, costs or damages otherwise incurred or suffered as a result of Tenant's default; plus

(e) The unamortized amount of any tenant improvement or similar allowance paid or credited by Landlord to Tenant pursuant to this Lease or the Work Letter.

(f) In addition, Tenant acknowledges that an event of default under this Lease may cause Landlord to incur damages under its mortgage and related financing documents, including, but not limited to, the payment of default interest, legal fees, late charges, collection costs, and sums necessary to maintain Lender's yield on the loaned amounts. Accordingly, Tenant agrees that Landlord has the right to add such loan-related damages to the damages for which Tenant is responsible hereunder as a result of an event of default.

(g) Pursuant to California Code of Civil Procedure Section 1161.1, Landlord may accept a partial payment of Rent after serving a notice pursuant to California Code of Civil Procedure Section 1161, and may without further notice to the Tenant, commence and pursue an action to recover the difference between the amount demanded in that notice and the payment actually received. This acceptance of such a partial payment of Rent does not constitute a waiver of any rights, including any right the Landlord may have to recover possession of the Leased Premises. Further, Tenant agrees that any notice given by Landlord pursuant to Paragraph 12.1 of the Lease shall satisfy the requirements for notice under California Code of Civil Procedure Section 1161, and Landlord shall not be required to give any additional notice in order to be entitled to commence an unlawful detainer proceeding.

12.3 Landlord's Default And Tenant's Remedies. In the event Landlord fails to perform its obligations under this Lease, Landlord shall nevertheless not be in default under the terms of this Lease until such time as Tenant shall have first given Landlord written notice specifying the nature of such failure to perform its obligations, and then only after Landlord shall have had thirty (30) days following its receipt of such notice within which to perform such obligations; provided that, if longer than thirty (30) days is reasonably required in order to perform such obligations, Landlord shall have such longer period so long as Landlord commences such cure within such thirty (30) day period and diligently pursues such cure to completion. In the event of Landlord's default as above set forth, then, and only then, Tenant may then proceed in equity or at law to compel Landlord to perform its obligations and/or to recover damages proximately caused by such failure to perform (except as and to the extent Tenant has waived its right to damages as provided in this Lease).

12.4 Limitation Of Tenant's Recourse. Tenant's sole recourse against Landlord shall be to Landlord's interest in the Property, Building 1, the Other Buildings, and the Common Areas. If Landlord is a corporation, trust, partnership, joint venture, limited liability company, unincorporated association, or other form of business entity, Tenant agrees that (i) the obligations of Landlord under this Lease shall not constitute personal obligations of the officers, directors, trustees, partners, joint venturers, members, managers, owners, stockholders, or other principals of such business entity, and (ii) Tenant shall have recourse only to the interest of such corporation, trust, partnership, joint venture, limited liability company, unincorporated association, or other form of business entity in the Property, Building 1, the Other Buildings, and the Common Areas for the satisfaction of such obligations and not against the assets of such officers, directors, trustees, partners, joint venturers, members, managers, owners, stockholders or principals. Additionally, if Landlord is a partnership or limited liability company, then Tenant covenants and agrees:

(a) No partner, manager, or member of Landlord shall be sued or named as a party in any suit or action brought by Tenant with respect to any alleged breach of this Lease (except to the extent necessary to secure jurisdiction over the partnership or limited liability company and then only for that sole purpose);

(b) No service of process shall be made against any partner, manager, or member of Landlord except for the sole purpose of securing jurisdiction over the partnership or limited liability company; and

(c) No writ of execution will ever be levied against the assets of any partner, manager, or member of Landlord other than to the extent of his or her interest in the assets of the partnership or limited liability company constituting Landlord.

Tenant further agrees that each of the foregoing covenants and agreements shall be enforceable by Landlord and by any partner or manager or member of Landlord and shall be applicable to any actual or alleged misrepresentation or nondisclosure made regarding this Lease or the Leased Premises or any actual or alleged failure, default or breach of any covenant or agreement either expressly or implicitly contained in this Lease or imposed by statute or at common law.

12.5 Tenant's Waiver. Landlord and Tenant agree that the provisions of Paragraph 12.3 above are intended to supersede and replace the provisions of California Civil Code Sections 1932(1), 1941 and 1942, and accordingly, Tenant hereby waives the provisions of California Civil Code Sections 1932(1), 1941 and 1942 and/or any similar or successor law regarding Tenant's right to terminate this Lease or to make repairs and deduct the expenses of such repairs from the rent due under this Lease.

ARTICLE 13
GENERAL PROVISIONS

13.1 Taxes On Tenant's Property. Tenant shall pay before delinquency any and all taxes, assessments, license fees, use fees, permit fees and public charges of whatever nature or description levied, assessed or imposed against Tenant or Landlord by a governmental agency arising out of, caused by reason of or based upon Tenant's estate in this Lease, Tenant's ownership of property, improvements made by Tenant to the Leased Premises or the Common Areas, improvements made by Landlord for Tenant's use within the Leased Premises or the Common Areas, Tenant's use (or estimated use) of public facilities or services or Tenant's consumption (or estimated consumption) of public utilities, energy, water or other resources (collectively, "**Tenant's Interest**"). Upon reasonable demand by Landlord, Tenant shall furnish Landlord with satisfactory evidence of these payments. If any such taxes, assessments, fees or public charges are levied against Landlord, Landlord's property, Building 1 or the Property, or if the assessed value of Building 1 or the Property is increased by the inclusion therein of a value placed upon Tenant's Interest, regardless of the validity thereof, Landlord shall have the right to require Tenant to pay such taxes, and if not paid and satisfactory evidence of payment delivered to Landlord at least ten days prior to delinquency, then Landlord shall have the right to pay such taxes on Tenant's behalf and to invoice Tenant for the same, in either case whether before or after the expiration or earlier termination of the Lease Term. Tenant shall, within the earlier to occur of (a) thirty (30) days of the date it receives an invoice from Landlord setting forth the amount of such taxes, assessments, fees, or public charge so levied, or (b) the due date of such invoice (but in no event less than five (5) business days), pay to Landlord, as Additional Rent, the amount set forth in such invoice. Tenant shall have the right to bring suit in any court of competent jurisdiction to recover from the taxing authority the amount of any such taxes, assessments, fees or public charges so paid.

13.2 Holding Over. This Lease shall terminate without further notice on the Lease Expiration Date (as set forth in Article 1). Any holding over by Tenant after expiration of the Lease Term shall neither constitute a renewal nor extension of this Lease nor give Tenant any rights in or to the Leased Premises except as expressly provided in this Paragraph. Any such holding over to which Landlord has consented shall be construed to be a tenancy from month to month, on the same terms and conditions herein specified insofar as applicable, except that the Base Monthly Rent shall be increased to an amount equal to [**] percent ([**] %) of the Base Monthly Rent payable during the last full month immediately preceding such holding over. Without limiting the foregoing, in the event of a holding over to which Landlord has consented, any rights of Landlord or obligations of Tenant set forth in this Lease and purporting to apply during the term of this Lease, shall nonetheless also be deemed to apply during any such hold over period. Tenant acknowledges that if Tenant holds over without Landlord's consent, such holding over may compromise or otherwise affect Landlord's ability to enter into new leases with prospective tenants regarding the Leased Premises. Therefore, if Tenant fails to surrender the Leased Premises upon the expiration or termination of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord harmless from and against all claims resulting from such failure, including, without limiting the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender, and any losses suffered by Landlord, including lost profits, resulting from such failure to surrender.

13.3 **Subordination To Mortgages.** This Lease is subject to and subordinate to all ground leases, mortgages and deeds of trust which affect Building 1 or the Property and which are of public record as of the Effective Date of this Lease, and to all renewals, modifications, consolidations, replacements and extensions thereof. Notwithstanding the foregoing, if requested by Landlord, Tenant agrees, within ten (10) business days after Landlord's written request therefor, to execute, acknowledge and deliver to Landlord any and all documents or instruments reasonably requested by Landlord or by the existing lessor or lender to assure the subordination of this Lease to such ground lease, mortgage or deed of trust, including but not limited to a subordination agreement in the form attached to this Lease as **Exhibit D** or such other form as any such lessor or lender may require; provided that in no event shall Tenant be required to execute any document or instrument the effect of which on Tenant's rights or liabilities under this Lease is not comparable to the effect that would pertain with a customary subordination, non-disturbance, and attornment agreement. However, if the lessor under any such ground lease or any lender holding any such mortgage or deed of trust shall advise Landlord that it desires or requires this Lease to be made prior and superior thereto, then, upon written request of Landlord to Tenant, Tenant shall promptly execute, acknowledge and deliver any and all customary or reasonable documents or instruments which Landlord and such lessor or lender deems necessary or desirable to make this Lease prior thereto. Tenant hereby consents to Landlord's ground leasing the land underlying Building 1 or the Property and/or encumbering Building 1 or the Property as security for future loans on such terms as Landlord shall desire, all of which future ground leases, mortgages or deeds of trust shall be subject to and subordinate to this Lease. However, if any lessor under any such future ground lease or any lender holding such future mortgage or deed of trust shall desire or require that this Lease be made subject to and subordinate to such future ground lease, mortgage or deed of trust, then Tenant agrees, within ten (10) business days after Landlord's written request therefor, to execute, acknowledge and deliver to Landlord any and all reasonable documents or instruments requested by Landlord or by such lessor or lender to assure the subordination of this Lease to such future ground lease, mortgage or deed of trust, but only if such lessor or lender agrees in such subordination agreement, in the form attached to this lease as **Exhibit D** or on another recordable form reasonably acceptable to Tenant, not to disturb Tenant's quiet possession of the Leased Premises so long as Tenant is not in default under this Lease (a "**Nondisturbance Agreement**"). If the proposed form of Nondisturbance Agreement is on a different form than the form attached as **Exhibit D**, then Tenant shall not object to any concept included in such other form if a similar concept was included in **Exhibit D**. Landlord shall obtain a Nondisturbance Agreement from its current lender within thirty (30) days after the execution hereof, which Nondisturbance Agreement may be combined with an agreement to effect the subordination provisions hereof, and which may be on the form attached hereto as **Exhibit D** or such other form as Landlord's lender may reasonably require. Tenant's failure to execute and deliver such documents or instruments within ten (10) business days after Landlord's request therefor shall be a material default by Tenant under this Lease, and no further notice shall be required under Paragraph 12.1(c) or any other provision of this Lease, and Landlord shall have all of the rights and remedies available to Landlord as Landlord would otherwise have in the case of any other material default by Tenant, it being agreed and understood by Tenant that Tenant's failure to so deliver such documents or instruments in a timely manner could result in Landlord being unable to perform committed obligations to other third parties which were made by Landlord in reliance upon this covenant of Tenant.

13.4 **Tenant's Attornment Upon Foreclosure.** Tenant shall, upon request, attorn (i) to any purchaser of Building 1 or the Property at any foreclosure sale or private sale conducted pursuant to any security instruments encumbering Building 1 or the Property, (ii) to any grantee or transferee designated in any deed given in lieu of foreclosure of any security interest encumbering Building 1 or the Property, or (iii) to the lessor under an underlying ground lease of the land underlying Building 1 or the Property, should such ground lease be terminated; provided that such purchaser, grantee or lessor recognizes Tenant's rights under this Lease.

13.5 Mortgagee Protection. In the event of any default on the part of Landlord, Tenant will give notice by registered mail to any Lender or lessor under any underlying ground lease who shall have requested, in writing, to Tenant that it be provided with such notice, and Tenant shall offer such Lender or lessor a reasonable opportunity to cure the default, including time to obtain possession of the Leased Premises by power of sale or judicial foreclosure or other appropriate legal proceedings if reasonably necessary to effect a cure.

13.6 Estoppel Certificate. Tenant will, following any request by Landlord, promptly execute and deliver to Landlord an estoppel certificate substantially in form attached as **Exhibit E**, (i) certifying that this Lease is unmodified and in full force and effect, or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect, (ii) stating the date to which the rent and other charges are paid in advance, if any, (iii) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults if any are claimed, and (iv) certifying such other information about this Lease as may be reasonably requested by Landlord, its Lender or prospective lenders, investors or purchasers of Building 1 or the Property. Tenant's failure to execute and deliver such estoppel certificate within ten (10) days after Landlord's request therefor shall be a material default by Tenant under this Lease, and no further notice shall be required under Paragraph 12.1(c) or any other provision of this Lease, and Landlord shall have all of the rights and remedies available to Landlord as Landlord would otherwise have in the case of any other material default by Tenant, it being agreed and understood by Tenant that Tenant's failure to so deliver such estoppel certificate in a timely manner could result in Landlord being unable to perform committed obligations to other third parties which were made by Landlord in reliance upon this covenant of Tenant. Landlord and Tenant intend that any statement delivered pursuant to this paragraph may be relied upon by any Lender or purchaser or prospective Lender or purchaser of Building 1, the Property, or any interest in them.

13.7 Tenant's Financial Information. Tenant shall, within ten (10) days after Landlord's request therefor, deliver to Landlord a copy of Tenant's (and any guarantor's) current audited financial statements (including a balance sheet, income statement and statement of cash flow, all prepared in accordance with GAAP), or unaudited statements if audited statements are not prepared in the ordinary course and have not been prepared, in either case on a non-consolidated basis; provided, however, that as long as the common stock of Tenant (or its assigns permitted pursuant to this Lease or otherwise approved by Landlord in writing) is publicly-traded on a United States national stock exchange, and such information is available as part of Tenant's or such Permitted Transferee's 10-K or 10-Q report filings on the SEC's Edgar website, and such materials are current per SEC filing requirements, then such requirement shall be fulfilled by such filings. Landlord shall be entitled to disclose such financial statements or other information to its Lender, to any present or prospective principal of or investor in Landlord, or to any prospective Lender or purchaser of Building 1, the Property, or any portion thereof or interest therein. Any such financial statement or other information provided to Landlord shall be confidential and shall not be disclosed by Landlord to any third party except as specifically provided in this paragraph, unless the same is or becomes a part of the public domain without the fault of Landlord.

13.8 Transfer By Landlord. Landlord and its successors in interest shall have the right to transfer their interest in Building 1, the Property, or any portion thereof at any time and to any person or entity. In the event of any such transfer, the Landlord originally named herein (and in the case of any subsequent transfer, the transferor), from the date of such transfer, shall be automatically relieved, without any further act by any person or entity, of all liability for (i) the performance of the obligations of the Landlord hereunder which may accrue after the date of such transfer, and (ii) repayment of any unapplied portion of the Security Deposit (upon transferring or crediting the same to the transferee), and (iii) the performance of the obligations of the Landlord hereunder which have accrued before the date of transfer if its transferee agrees to assume and perform all such prior obligations of the Landlord hereunder. Tenant shall attorn to any such transferee. After the date of any such transfer, the term "Landlord" as used herein shall mean the transferee of such interest in Building 1 or the Property.

13.9 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, acts of war, terrorist acts, pandemics or other wide-spread infectious disease, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, delay in obtaining approvals, building permits and certificates of occupancy within normal time frames, and other causes beyond the reasonable control of the party obligated to perform, except with respect to the obligations imposed with regard to Rent and other charges to be paid by Tenant pursuant to this Lease (collectively, a "**Force Majeure**"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure, but shall not, for clarity, extend the Term of this Lease.

13.10 Notices. Any notice required or permitted to be given under this Lease other than statutory notices shall be in writing and (i) personally delivered, (ii) sent by United States mail, registered or certified mail, postage prepaid, return receipt requested, (iii) sent by Federal Express or similar nationally recognized overnight courier service, or (iv) transmitted by facsimile with a hard copy sent within one (1) business day by any of the foregoing means, and in all cases addressed as follows, and such notice shall be deemed to have been given upon the date of actual receipt or delivery (or refusal to accept delivery) at the address specified below (or such other addresses as may be specified by notice in the foregoing manner) as indicated on the return receipt or air bill:

If to Landlord:	1050 Page Mill Road Property, LLC c/o Sand Hill Property Company 965 Page Mill Road Palo Alto, California 94304 Attention: [**] Facsimile: [**]
with a copy to:	Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. 44 Montgomery Street 36th Floor San Francisco, California 94104 Attention: [**] Facsimile: [**]
If to Tenant:	Ascendis Pharma, Inc. 500 Emerson Street Palo Alto, California 94301 Attention: [**] Facsimile: [**]
with a copy to:	Latham & Watkins LLP 12670 High Bluff Drive San Diego, CA 92130 Attention: [**] Facsimile: [**]

Any notice given in accordance with the foregoing shall be deemed received upon actual receipt or refusal to accept delivery. Any notice required by statute and not waived in this Lease shall be given and deemed received in accordance with the applicable statute or as otherwise provided by law.

13.11 Attorneys' Fees and Costs. In the event any party shall bring any action, arbitration, or other proceeding alleging a breach of any provision of this Lease, or a right to recover rent, to terminate this Lease, or to enforce, protect, interpret, determine, or establish any provision of this Lease or the rights or duties hereunder of either party, the prevailing party shall be entitled to recover from the non-prevailing party as a part of such action or proceeding, or in a separate action for that purpose brought within one year from the determination of such proceeding, reasonable attorneys' fees, expert witness fees, court costs and reasonable disbursements, made or incurred by the prevailing party.

13.12 Definitions. Any term that is given a special meaning by any provision in this Lease shall, unless otherwise specifically stated, have such meaning wherever used in this Lease or in any Addenda or amendment hereto. In addition to the terms defined in Article 1, the following terms shall have the following meanings:

(a) **Real Property Taxes.** The term "**Real Property Tax**" or "**Real Property Taxes**" shall each mean Tenant's Building Share (with respect to clause (i)) and Tenant's Property Share (with respect to clauses (ii) and (iii) below) (each as hereinafter adjusted) of the following (to the extent applicable to any portion of the Lease Term, regardless of when the same are imposed, assessed, levied, or otherwise charged): (i) all taxes, assessments, levies and other charges of any kind or nature whatsoever, general and special, foreseen and unforeseen (including all installments of principal and interest required to pay any general or special assessments for public improvements and any increases resulting from reassessments caused by any change in ownership or new construction), now or hereafter imposed by any governmental or quasi-governmental authority or special district having the direct or indirect power to tax or levy assessments, which are levied or assessed for whatever reason against Landlord's interest in Building 1 or this Lease, or the fixtures, equipment and other property of Landlord that is an integral part of Building 1 and located thereon, or Landlord's business of owning, leasing or managing Building 1 or the gross receipts, income or rentals from Building 1, or based on the amount of public services or public utilities used or consumed (e.g. water, gas, electricity, sewage or waste water disposal) at Building 1, or based on the number of persons employed by tenants of Building 1, the size (whether measured in area, volume, number of tenants or whatever) or the value of Building 1, or the type of use or uses conducted within Building 1, (ii) all taxes, assessments, levies and other charges of any kind or nature whatsoever, general and special, foreseen and unforeseen (including all installments of principal and interest required to pay any general or special assessments for public improvements and any increases resulting from reassessments caused by any change in ownership or new construction), now or hereafter imposed by any governmental or quasi-governmental authority or special district having the direct or indirect power to tax or levy assessments, which are levied or assessed for whatever reason against the Property and/or the Common Areas (but without duplication of amounts payable on account of clause (i) above), and (iii) all charges, levies or fees imposed by any governmental authority against Landlord by reason of or based upon the use of or number of parking spaces within the Common Areas, the amount of public services or public utilities used or consumed (e.g. water, gas, electricity, sewage or waste water disposal) in the Common Areas (but without duplication of amounts payable on account of clause (i) above), and all costs and fees (including attorneys' fees) reasonably incurred by Landlord in contesting any Real Property Tax and in negotiating with public authorities as to any Real Property Tax. If, at any time during the Lease Term, the taxation or assessment of the Property prevailing as of the Effective Date of this Lease shall be altered so that in lieu of or in addition to any the Real Property Tax described above there shall be levied, awarded or imposed (whether by reason of a change in the method of taxation or assessment, creation of a new tax or charge, or any other cause) an alternate, substitute, or additional use or charge (i) on the value, size, use or occupancy of the Property or Landlord's interest therein or (ii) on or measured by the gross receipts, income or rentals from the Property, or on Landlord's business of owning, leasing or managing the Property or (iii) computed in any manner with respect to the operation of the Property, then any such tax or charge, however designated, shall be included within the meaning of the terms "Real Property Tax" or "Real Property Taxes" for purposes of this Lease. Notwithstanding the foregoing, the terms "Real Property Tax" or "Real Property Taxes" shall not include estate, inheritance, transfer, gift or franchise taxes of Landlord or the federal or state income tax imposed on Landlord's income from all sources, or any fines, penalties or interest incurred as a result of a failure by Landlord to pay any Real Property Tax when due.

(b) **Landlord's Insurance Costs.** The term "**Landlord's Insurance Costs**" shall mean Tenant's Property Share of the following (to the extent applicable to any portion of the Lease Term, regardless of when the same are incurred): the costs to Landlord to carry and maintain the policies of fire and property damage insurance for Building 1 and the Property and general liability and any other insurance required or permitted to be carried by Landlord pursuant to Article 9, together with any deductible amounts paid by Landlord upon the occurrence of any insured casualty or loss. In the event any Landlord's Insurance Cost relates solely to Building 1 and not to any other portion of the Property, then Tenant shall pay Tenant's Building Share thereof. In the event the rentable square footage of the Leased Premises or Building 1 is changed, Tenant's Building Share and Tenant's Property Share (as applicable) shall be recalculated so that the aggregate Building Share of all tenants in Building 1 and Property Share of all tenants in the Property shall equal 100%.

(c) **Property Maintenance Costs.** The term "**Property Maintenance Costs**" shall mean professional management fees equal to 2.5% of Base Monthly Rent (which may be paid to Landlord or its affiliate), plus Tenant's Building Share of all other costs and expenses (except Landlord's Insurance Costs and Real Property Taxes) paid or incurred by Landlord in protecting, operating, maintaining, repairing and preserving Building 1 and all parts thereof, including without limitation, (i) with respect to any such costs related solely to Building 1, the amortizing portion of any costs incurred by Landlord in the making of any modifications, alterations or improvements required by any governmental authority as set forth in Article 6, which are so amortized during the Lease Term and (ii) such other costs as may be paid or incurred with respect to operating, maintaining, and preserving Building 1, such as repairing and resurfacing the exterior surfaces of Building 1 (including roofs), repairing and replacing structural parts of Building 1, and repairing and replacing, when necessary, electrical, plumbing, and HVAC systems serving Building 1; plus

(ii) without limitation or duplication of the foregoing, Tenant's Property Share of all costs and expenses (except Landlord's Insurance Costs and Real Property Taxes) paid or incurred by Landlord in protecting, operating, maintaining, repairing and preserving the Property (as opposed to just Building 1) and all parts thereof (excluding Building 1 and the Other Buildings); plus

(iii) without limitation or duplication of the foregoing, Tenant's Property Share of all costs and expenses paid or incurred by Landlord for employee shuttles and other transportation management efforts at the Property.

Notwithstanding the foregoing provisions of this Paragraph 13.12(c), the following are specifically excluded from the definition of Property Maintenance Costs and Tenant shall have no obligation to pay directly or reimburse Landlord for all or any portion of the following except to the extent any of the following are caused by the actions or inactions of Tenant, or result from the failure of Tenant to comply with the terms of this Lease: (i) depreciation, principal, interest, and fees on mortgages or ground lease payments, (ii) legal fees incurred in negotiating and enforcing tenant leases, disputes with other tenants, (iii) real estate brokers' leasing commissions and advertising costs in connection with leasing space in

Building 1 or any Other Building, (iv) initial improvements or alterations to lessee spaces, (v) the cost of providing any service directly to and paid directly by a single individual lessee, or costs incurred for the benefit of a single lessee, (vi) costs of any items to the extent Landlord actually receives reimbursement therefor from insurance proceeds, under warranties, or from a lessee or other third party (such costs shall be excluded or deducted – as appropriate – from Property Maintenance Costs in the year in which the reimbursement is received), or which are paid out of reserves previously included in Property Maintenance Costs, (vii) costs incurred due to Landlord's breach of a law or ordinance, (viii) repairs necessitated by the gross negligence or willful misconduct of Landlord or Landlord's employees, agents, or contractors, (viii) capital costs other than those amortized over the useful life (as determined in accordance with GAAP) of the subject capital item with interest at the Standard Interest Rate, (ix) charitable or political contributions and membership fees or other payments to trade organizations, (x) Landlord's general overhead expenses not related to the Property, (xi) Landlord's costs of any services provided to lessees or other occupants for which Landlord is actually reimbursed by such lessees or other occupants (other than reimbursement through Property Maintenance Costs) as an additional charge or rental over and above the basic rent (and escalations thereof) payable under the lease with such lessee or other occupant, (xii) costs in connection with services that are provided to another lessee or occupant of the Property, but are not offered to Tenant, (xiii) costs (i.e., interest and penalties) incurred due to Landlord's default of this Lease or any other lease, mortgage, or other agreement, in each case affecting the Property, (xiv) payments to subsidiaries or affiliates of Landlord, or to any other party, in each case as a result of a non-arm's length transaction, for management or other services for the Property or improvements, or for supplies or other materials for the Property, to the extent that such payments exceed arm's length competitive prices in the market where the Leased Premises are located for the services, supplies or materials provided, (xv) salaries of employees of Landlord above those performing property management and facilities management duties for Building 1 or any Other Building, (xvi) costs or expenses incurred in connection with the financing or sale of the project or any portion thereof, (xvii) costs of environmental testing, monitoring, removal or remediation of any Hazardous Materials on the Property that were present on the Property prior to the Lease Commencement Date except to the extent caused by Tenant, (xviii) the costs of acquiring investment-grade art, and (xix) any item that, if included in Property Maintenance Costs, would involve a double collection for such item by Landlord.

(d) **Property Operating Expenses**. The term "**Property Operating Expenses**" shall mean and include all Real Property Taxes, plus all Landlord's Insurance Costs, plus all Property Maintenance Costs.

(f) **Law**. The term "**Law**" or "**Laws**" shall mean any judicial decisions and any statute, constitution, ordinance, resolution, regulation, rule, code, administrative order, condition of approval, or other requirements of any municipal, county, state, federal, or other governmental agency or authority having jurisdiction over the parties to this Lease, the Leased Premises, Building 1 or the Property, or any of them, in effect either at the Effective Date of this Lease or at any time during the Lease Term, including, without limitation, any regulation, order, or policy of any quasi-official entity or body (e.g. a board of fire examiners or a public utility or special district). Except to the extent otherwise expressly provided in this Lease, to the extent any Law or Restriction places limits on Building 1 or any portion thereof, or on the Property or any portion thereof, such limits shall be equitably allocated to the Leased Premises pro rata in the same proportion that the rentable square footage of the Leased Premises bears to the rentable square footage of the applicable Building or portion thereof, or the Property or portion thereof, as applicable.

(g) **Lender**. The term "**Lender**" shall mean the holder of any promissory note or other evidence of indebtedness secured by the Property or any portion thereof.

(h) **Rent**. The term "**Rent**" shall mean collectively Base Monthly Rent and all Additional Rent.

(i) **Restrictions**. The term "**Restrictions**" shall mean (as they may exist from time to time) any and all covenants, conditions and restrictions, private agreements, easements, and any other recorded documents or instruments affecting the use of the Property, Building 1, the Leased Premises, or the Common Areas.

13.13 General Waivers. One party's consent to or approval of any act by the other party requiring the first party's consent or approval shall not be deemed to waive or render unnecessary the first party's consent to or approval of any subsequent similar act by the other party. No waiver of any provision hereof, or any waiver of any breach of any provision hereof, shall be effective unless in writing and signed by the waiving party. The receipt by Landlord of any rent or payment with or without knowledge of the breach of any other provision hereof shall not be deemed a waiver of any such breach. No waiver of any provision of this Lease shall be deemed a continuing waiver unless such waiver specifically states so in writing and is signed by both Landlord and Tenant. No delay or omission in the exercise of any right or remedy accruing to either party upon any breach by the other party under this Lease shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by either party of any breach of any provision of this Lease shall not be deemed to be a waiver of any subsequent breach of the same or any other provisions herein contained.

13.14 Miscellaneous. Should any provisions of this Lease prove to be invalid or illegal, such invalidity or illegality shall in no way affect, impair or invalidate any other provisions hereof, and such remaining provisions shall remain in full force and effect. Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor. Any copy of this Lease which is executed by the parties shall be deemed an original for all purposes. This Lease shall, subject to the provisions regarding assignment, apply to and bind the respective heirs, successors, executors, administrators and assigns of Landlord and Tenant. The benefit of each indemnity obligation of Tenant under this Lease is assignable in whole or in part by Landlord. The term "party" shall mean Landlord or Tenant as the context implies. If Tenant consists of more than one person or entity, then all members of Tenant shall be jointly and severally liable hereunder. If this Lease is signed by an individual "doing business as " or "dba" another person or entity or entity name, the individual who signs this Lease will be deemed to be the Tenant hereunder for all purposes. Submission of this Lease for review, examination or signature by Tenant does not constitute an offer to lease, a reservation of or an option for lease, or a binding agreement of any kind, and notwithstanding any inconsistent language contained in any other document, this Lease is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant, and prior to such mutual execution and delivery, neither party shall have any obligation to negotiate and may discontinue discussions and negotiations at any time for any reason or no reason. This Lease shall be construed and enforced in accordance with the Laws of the State in which the Leased Premises are located. The headings and captions in this Lease are for convenience only and shall not be construed in the construction or interpretation of any provision hereof. When the context of this Lease requires, the neuter gender includes the masculine, the feminine, a partnership, corporation, limited liability company, joint venture, or other form of business entity, and the singular includes the plural. The terms "must," "shall," "will," and "agree" are mandatory. The term "may" is permissive. The term "governmental agency" or "governmental authority" or similar terms shall include, without limitation, all federal, state, city, local and other governmental and quasi-governmental agencies, authorities, bodies, boards, etc., and any party or parties having enforcement rights under any Restrictions. When a party is required to do something by this Lease, it shall do so at its sole cost and expense without right of reimbursement from the other party unless specific provision is made therefor. Where Landlord's consent is required hereunder, the consent of any Lender shall also be required. Landlord and Tenant shall both be deemed to have drafted this Lease, and the rule of construction that a document is to be construed against the drafting party shall not be employed in the construction or interpretation of this Lease. Where Tenant is obligated not to perform any act or is not permitted to perform any act, Tenant is also obligated to restrain any others reasonably within its control, including the Tenant Parties, from performing such act. Landlord shall not become or be deemed a partner or a joint venturer with Tenant by reason of any of the provisions of this Lease.

13.15 Patriot Act Compliance.

(a) Tenant will use its good faith and commercially reasonable efforts to comply with the Patriot Act (as defined below) and all applicable requirements of governmental authorities having jurisdiction over Tenant or the Property, including those relating to money laundering and terrorism. Landlord shall have the right to audit Tenant's compliance with the Patriot Act and all applicable requirements of governmental authorities having jurisdiction over Tenant or the Property, including those relating to money laundering and terrorism. In the event that Tenant fails to comply with the Patriot Act or any such requirements of governmental authorities, then Landlord may, at its option, cause Tenant to comply therewith and any and all reasonable costs and expenses incurred by Landlord in connection therewith shall be deemed Additional Charges and Rent and shall be immediately due and payable. For purposes hereof, the term "***Patriot Act***" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001, as the same may be amended from time to time, and corresponding provisions of future laws.

(b) Neither Tenant nor any partner in Tenant or member of such partner nor any owner of a direct or indirect interest in Tenant (a) is listed on any Government Lists (as defined below), (b) is a person who has been determined by competent authority to be subject to the prohibitions contained in Presidential Executive Order No. 13224 (Sept. 23, 2001) or any other similar prohibitions contained in the rules and regulations of OFAC (as defined below) or in any enabling legislation or other Presidential Executive Orders in respect thereof, (c) has been previously indicted for or convicted of any felony involving a crime or crimes of moral turpitude or for any Patriot Act Offense (as defined below), or (d) is currently under investigation by any governmental authority for alleged criminal activity. For purposes hereof, the term "***Patriot Act Offense***" means any violation of the criminal laws of the United States of America or of any of the several states, or that would be a criminal violation if committed within the jurisdiction of the United States of America or any of the several states, relating to terrorism or the laundering of monetary instruments, including any offense under (a) the criminal laws against terrorism; (b) the criminal laws against money laundering, (c) the Bank Secrecy Act, as amended, (d) the Money Laundering Control Act of 1986, as amended, or the (e) Patriot Act. "Patriot Act Offense" also includes the crimes of conspiracy to commit, or aiding and abetting another to commit, a Patriot Act Offense. For purposes hereof, the term "***Government Lists***" means (i) the Specially Designated Nationals and Blocked Persons Lists maintained by Office of Foreign Assets Control ("***OFAC***"), or (ii) any other list of terrorists, terrorist organizations or narcotics traffickers maintained pursuant to any of the Rules and Regulations of OFAC or pursuant to any Executive Order of the President of the United States of America.

ARTICLE 14
LEGAL AUTHORITY
BROKERS AND ENTIRE AGREEMENT

14.1 Legal Authority. If Tenant or any entity constituting Tenant is a corporation, limited partnership, limited liability company, or other legal entity, each individual executing this Lease on behalf of such corporation, limited partnership, limited liability company, or other legal entity, represents and warrants that Tenant is validly formed and duly authorized and existing, that Tenant is qualified to do business in the State in which the Leased Premises are located, that Tenant has the full right and legal authority to enter into this Lease, and that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant in accordance with its terms. Tenant shall, within ten (10) business days after execution of this Lease, deliver to Landlord a certified copy of the resolution of its board of directors (if a corporation), members and manager(s) (if a limited liability company), or partners (if a limited partnership), authorizing or ratifying the execution of this Lease, as well as a certified copy of binding resolutions of any guarantor in form reasonably acceptable to Landlord, authorizing or ratifying the execution of the applicable guaranty, and if Tenant or any entity constituting Tenant fails to do so, the same shall be a material default on the part of Tenant permitting Landlord at its sole election to terminate this Lease.

14.2 **Brokerage Commissions**. Tenant represents, warrants and agrees that it has not had any dealings with any real estate broker(s), leasing agent(s), finder(s) or salesmen, other than the Brokers (as named in Article 1) with respect to the lease by it of the Leased Premises pursuant to this Lease, and that it will indemnify, defend with competent counsel, and hold Landlord harmless from any liability for the payment of any real estate brokerage commissions, leasing commissions or finder's fees claimed by any other real estate broker(s), leasing agent(s), finder(s), or salesmen to be earned or due and payable by reason of Tenant's agreement or promise (implied or otherwise) to pay (or to have Landlord pay) such a commission or finder's fee by reason of its leasing the Leased Premises pursuant to this Lease. Notwithstanding any provision of this Lease to the contrary, Landlord shall not be obligated to pay any leasing commission or compensation of any kind or type in connection with an extension of the term of this Lease, an expansion of the Leased Premises, a lease or sublease of any other premises leased by Tenant pursuant to any right of first offer or right of first refusal or other similar right granted to Tenant.

14.3 **Entire Agreement**. This Lease and the Exhibits (as described in Article 1), which Exhibits are by this reference incorporated herein, constitute the entire agreement between the parties, and there are no other agreements, understandings or representations between the parties relating to the lease by Landlord of the Leased Premises to Tenant, except as expressed herein. No subsequent changes, modifications or additions to this Lease shall be binding upon the parties unless in writing and signed by both Landlord and Tenant.

14.4 **Landlord's Representations**. Tenant acknowledges that neither Landlord nor any of its agents made any representations or warranties respecting the Property, Building 1 or the Leased Premises, upon which Tenant relied in entering into the Lease, which are not expressly set forth in this Lease. Tenant further acknowledges that neither Landlord nor any of its agents made any representations as to (i) whether the Leased Premises may be used for Tenant's intended use under existing Law, or (ii) the suitability of the Leased Premises for the conduct of Tenant's business, or (iii) the exact square footage of the Leased Premises or Building 1, and that Tenant relies solely upon its own investigations with respect to such matters. Tenant expressly waives any and all claims for damage by reason of any statement, representation, warranty, promise or other agreement of Landlord or Landlord's agent(s), if any, not contained in this Lease or in any exhibit attached hereto.

ARTICLE 15
OPTION TO EXTEND

15.1 **Options to Extend**. So long as Ascendis Pharma, Inc., a Delaware corporation, or an assignee pursuant to a Permitted Transfer (each, a "**Permitted Transferee**"), is the Tenant hereunder, and subject to the conditions set forth in subparagraphs (a) and (b) below, Tenant shall have two options to extend the term of this Lease with respect to the entirety of the Leased Premises, the first for a period of five (5) years from the expiration of the initial, unextended Lease Term (the "**First Extension Period**"), and the second for a period of five (5) years from the expiration of the First Extension Period (the "**Second Extension Period**"), subject to the following conditions:

(a) Each option to extend shall be exercised, if at all, by notice of exercise given to Landlord by Tenant not more than twelve (12) months nor less than nine (9) months prior to the expiration of the initial, unextended Lease Term or the First Extension Period, as applicable;

(b) Anything herein to the contrary notwithstanding, if Tenant is in default (and has received written notice thereof from Landlord) under any of the terms, covenants or conditions of this Lease, at the time Tenant exercises an extension option or on the commencement date of the applicable extension period, Landlord shall have, in addition to all of Landlord's other rights and remedies provided in this Lease, the right to terminate such option(s) to extend upon notice to Tenant. For the avoidance of confusion, the foregoing requirement regarding Tenant's default shall not be read to prevent Tenant from curing the applicable default and then exercising the above-described option once the default is cured if such cure is completed within the applicable cure period expressly set forth in this Lease.

15.2 Fair Market Rent. If the option is exercised in a timely fashion, the Lease shall be extended for the term of the applicable extension period upon all of the terms and conditions of this Lease, provided that the Base Monthly Rent for the extension period shall be [** % of the Fair Market Rent" for the Leased Premises, increased as set forth below. For purposes hereof, "**Fair Market Rent**" shall be the initial Base Monthly Rent for the applicable extension period and any escalations thereto, as determined with reference to the then-prevailing rates for recently negotiated office leases in similar Class A office buildings in the City of Palo Alto, pursuant to the process described below.

15.3 Tenant's Election. Within thirty (30) days after receipt of Tenant's notice of exercise, Landlord shall notify Tenant in writing of Landlord's estimate of the Base Monthly Rent for the applicable extension period, based on the provisions of Paragraph 15.2 above. Within thirty (30) days after receipt of such notice from Landlord, Tenant shall have the right either to (i) accept Landlord's statement of Base Monthly Rent as the Base Monthly Rent for such extension period; or (ii) elect to arbitrate Landlord's estimate of Fair Market Rent which was the basis for Landlord's determination of Base Monthly Rent, such arbitration to be conducted pursuant to the provisions hereof. Failure on the part of Tenant to require arbitration of Fair Market Rent within such thirty (30) day period shall constitute acceptance of the Base Monthly Rent for the applicable extension period as calculated by Landlord. If Tenant elects arbitration, the arbitration shall be concluded within ninety (90) days after the date of Tenant's election, subject to extension for an additional thirty (30) day period if a third arbitrator is required and does not act in a timely manner or Force Majeure. To the extent that arbitration has not been completed prior to the expiration of any preceding period for which Base Monthly Rent has been determined, Tenant shall pay Base Monthly Rent at the rate calculated by Landlord, with the potential for an adjustment to be made once Fair Market Rent is ultimately determined by arbitration.

15.4 Rent Arbitration. In the event of arbitration, the judgment or the award rendered in any such arbitration may be entered in any court having jurisdiction and shall be final and binding between the parties. The arbitration shall be conducted and determined in Santa Clara County in accordance with the then prevailing rules of the American Arbitration Association or its successor for arbitration of commercial disputes except to the extent that the procedures mandated by such rules shall be modified as follows:

(a) Tenant shall make demand for arbitration in writing within thirty (30) days after service of Landlord's determination of Fair Market Rent given under Paragraph 15.3 above, specifying therein the name and address of the person to act as the arbitrator on its behalf. The arbitrator shall be qualified as a real estate appraiser familiar with the Fair Market Rent of similar Class A office space in Palo Alto who would qualify as an expert witness over objection to give opinion testimony addressed to the issue in a court of competent jurisdiction. Failure on the part of Tenant to make a proper demand in a timely manner for such arbitration shall constitute a waiver of the right thereto. Within fifteen (15) days after the service of the demand for arbitration, Landlord shall give notice to Tenant, specifying the name and address of the person designated by Landlord to act as arbitrator on its behalf who shall be similarly qualified. If Landlord fails to notify Tenant of the appointment of its arbitrator, within or by the time above specified, then the arbitrator appointed by Tenant shall be the arbitrator to determine the issue.

(b) In the event that two arbitrators are chosen pursuant to Paragraph 15.4(a) above, the arbitrators so chosen shall, within fifteen (15) days after the second arbitrator is appointed determine the Fair Market Rent. If the two arbitrators shall be unable to agree upon a determination of Fair Market Rent within such fifteen (15) day period, they, themselves, shall appoint a third arbitrator, who shall be a competent and impartial person with qualifications similar to those required of the first two arbitrators pursuant to Paragraph 15.4(a). In the event they are unable to agree upon such appointment within seven (7) days after expiration of such fifteen (15) day period, the third arbitrator shall be selected by the parties themselves, if they can agree thereon, within a further period of fifteen (15) days. If the parties do not so agree, then either party, on behalf of both, may request appointment of such a qualified person by the then Presiding Judge of the California Superior Court having jurisdiction over the County of Santa Clara, and the other party shall not raise any question as to such Judge's full power and jurisdiction to entertain the application for and make the appointment. The three arbitrators shall decide the dispute if it has not previously been resolved by following the procedure set forth below.

(c) Where an issue cannot be resolved by agreement between the two arbitrators selected by Landlord and Tenant or settlement between the parties during the course of arbitration, the issue shall be resolved by the three arbitrators within fifteen (15) days of the appointment of the third arbitrator in accordance with the following procedure. The arbitrator selected by each of the parties shall state in writing his determination of the Fair Market Rent supported by the reasons therefor with counterpart copies to each party. The arbitrators shall arrange for a simultaneous exchange of such proposed resolutions. The role of the third arbitrator shall be to select which of the two proposed resolutions most closely approximates his determination of Fair Market Rent. The third arbitrator shall have no right to propose a middle ground or any modification of either of the two proposed resolutions. The resolution he chooses as most closely approximating his determination shall constitute the decision of the arbitrators and be final and binding upon the parties.

(d) In the event of a failure, refusal or inability of any arbitrator to act, his successor shall be appointed by him, but in the case of the third arbitrator, his successor shall be appointed in the same manner as provided for appointment of the third arbitrator. The arbitrators shall decide the issue within fifteen (15) days after the appointment of the third arbitrator. Any decision in which the arbitrator appointed by Landlord and the arbitrator appointed by Tenant concur shall be binding and conclusive upon the parties. Each party shall pay the fee and expenses of its respective arbitrator and both shall share the fee and expenses of the third arbitrator, if any, and the attorneys' fees and expenses of counsel for the respective parties and of witnesses shall be paid by the respective party engaging such counsel or calling such witnesses.

(e) The arbitrators shall have the right to consult experts and competent authorities to obtain factual information or evidence pertaining to a determination of Fair Market Rent, but any such consultation shall be made in the presence of both parties with full right on their part to cross examine. The arbitrators shall render their decision and award in writing with counterpart copies to each party. The arbitrators shall have no power to modify the provisions of this Lease.

ARTICLE 16
TELECOMMUNICATIONS

Building 1

16.1 Telecommunications. Notwithstanding any other provision of this Lease to the contrary:

(a) Landlord shall have no responsibility for providing to Tenant any telecommunications equipment of any kind, including but not limited to wiring and cabling, within the Leased Premises or for providing telephone or telecommunications service or connections from the utility to the Leased Premises; and

(b) Landlord makes no warranty as to the quality, continuity or availability of the telecommunications services in the Building, and Tenant hereby waives any claim against Landlord for any actual or consequential damages (including damages for loss of business) in the event Tenant's telecommunications services in any way are interrupted, damaged or rendered less effective, except to the extent caused by the gross negligence or willful misconduct of Landlord, its agents or employees. Tenant accepts any telecommunications equipment in Building 1 in its "AS-IS" condition, and Tenant shall be solely responsible for contracting with a reliable third party vendor to assume responsibility for the maintenance and repair thereof (which contract shall contain provisions requiring such vendor to meet local and federal requirements for telecommunications material and workmanship). Landlord shall not be liable to Tenant and Tenant waives all claims against Landlord whatsoever, whether for personal injury, property damage, loss of use of the Leased Premises, or otherwise, due to the interruption or failure of telecommunications services to the Leased Premises.

ARTICLE 17
RIGHT OF FIRST OFFER

17.1 Right of First Offer.

Provided that (a) Tenant is Ascendis Pharma, Inc. or a Permitted Transferee and it is not in monetary default or material non-monetary default under this Lease at the time such space becomes available as hereinafter provided, (b) the Leased Premises has not been subleased at the time such space becomes available as hereinafter provided, and (c) Tenant is then leasing the entire Leased Premises, then except as provided below, when any space becomes available in Building 4 (i.e., the lease for such space is expiring and the then-current tenant is vacating such space) which Landlord desires to market for lease (the "**Designated ROFO Space**"), Landlord shall deliver a written notice (the "**ROFO Notice**") to Tenant setting forth the Designated ROFO Space and the terms upon which Landlord is intending to market the Designated ROFO Space, which shall be market terms at that time. Tenant shall notify Landlord in writing with ten (10) days after receipt of the ROFO Notice of Tenant's election to lease the ROFO Space on the terms set forth in the ROFO Notice ("Tenant's ROFO Election Notice"). Notwithstanding the foregoing, in the event that Landlord and the Building 4 tenant are cooperating to amend or otherwise restructure the Building 4 lease and such restructuring transaction results in some or all of the space in Building 4 being subleased to or otherwise occupied by a third party, then such space shall not be deemed available and shall not constitute Designated ROFO Space.

Failure of Tenant to deliver Tenant's ROFO Election Notice within the required time period shall be deemed an election by Tenant to not lease the Designated ROFO Space, Landlord shall be free to market the applicable Designated ROFO Space to third parties on such terms as Landlord shall elect, and Tenant shall have no further rights to lease the applicable Designated ROFO Space.

If Tenant delivers Tenant's ROFO Election Notice within the time period required herein, Tenant shall be bound and obligated to lease from Landlord, and Landlord shall be bound and obligated to lease to Tenant, the Designated ROFO Space on the terms hereinafter described, and for record-keeping purposes, Landlord and Tenant shall enter into an amendment of this Lease or a new Lease to include the Designated ROFO Space within fifteen (15) business days after Landlord's receipt of Tenant's ROFO

Election Notice. The per square foot economic terms (including, without limitation, the amount of rent and the tenant improvement allowance, if any, but excluding the term) shall be the terms set forth in the ROFO Notice and shall apply to the entire space constituting the Designated ROFO Space, and conforming changes shall be made as necessary or desirable to increase the rentable square footage of the Leased Premises (if this Lease is amended in lieu of the parties entering into a new separate lease for the Designated ROFO Space), as well as to any other provisions that are a function of the rentable square footage of the Leased Premises, or as applicable Designated ROFO Space (e.g., Tenant's Building Share and Tenant's Property Share). Anything herein to the contrary notwithstanding, if Tenant is in default (and has received written notice thereof from Landlord) under any of the terms, covenants or conditions of this Lease, either at the time Tenant sends Tenant's ROFO Election Notice or upon executing the amendment (or new Lease), Landlord shall have, in addition to all of Landlord's other rights and remedies provided in this Lease, the right to terminate the right of first offer contained herein upon notice to Tenant. For the avoidance of confusion, the foregoing shall not be read to prevent Tenant from curing the applicable default and then sending Tenant's ROFO Election Notice or executing the amendment once the default is cured if such cure is completed within the applicable cure period, if any, expressly set forth in this Lease.

SIGNATURES APPEAR ON FOLLOWING PAGE

Building 1

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the respective dates below set forth with the intent to be legally bound thereby as of the Effective Date of this Lease first above set forth.

LANDLORD:

1050 PAGE MILL ROAD PROPERTY, LLC, a Delaware limited liability company

Dated: October 26, 2020

By: Peter Pau

a Peter Pau,
its Manager

TENANT:

ASCENDIS PHARMA, INC., a Delaware corporation

Dated: October 28, 2020

By: Jan Mikkelsen

Jan Mikkelsen, CEO and President

Dated: October 28, 2020

By:

Scott Smith, Chief Financial Officer

Building 1

ATTACHMENT 1

GUARANTY OF LEASE

THIS GUARANTY OF LEASE ("Guaranty") is made as of October __, 2020, by **ASCENDIS PHARMA A/S** [NASD: ASND] ("Guarantor"), to and for the benefit of **1050 PAGE MILL ROAD PROPERTY, LLC**, a Delaware limited liability company ("Landlord"), with respect to the obligations of **ASCENDIS PHARMA, INC.**, a Delaware corporation ("Tenant").

WHEREAS, Landlord and Tenant are about to enter into a Lease dated as of even date herewith (the "Lease") regarding certain premises (the "Leased Premises") located on the real property commonly known as 1000 Page Mill Road, Palo Alto, California; and

WHEREAS, capitalized terms used in this Guaranty and not otherwise defined herein shall have the meanings assigned to them in the Lease; and

WHEREAS, Guarantor will benefit by Landlord's entering into the Lease because (among other things) Tenant will benefit by entering into the Lease, and Guarantor is the parent of Tenant, and therefore Guarantor will benefit by Landlord's entering into the Lease with Tenant; and

WHEREAS, Landlord would not enter into the Lease without this Guaranty and Guarantor acknowledges that Landlord could elect not to enter into the Lease; and

WHEREAS, in order to induce Landlord to enter into the Lease with Tenant, Guarantor is willing to guarantee the obligations of Tenant under the Lease.

NOW THEREFORE, in consideration of the agreement of Landlord to enter into the Lease with Tenant, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby unconditionally and irrevocably guarantees the full, faithful and timely performance and observance of each of the financial obligations of Tenant under the Lease and any amendment or modification thereof, to be performed by Tenant during the eight (8) year period commencing on the Base Rent Commencement Date and ending eight (8) years thereafter (collectively, the "Guaranteed Obligations"). Guarantor further agrees as follows:

1. This Guaranty shall remain in full force and effect regardless of any extension, amendment, modification, or assignment of the Lease, whether the same was made with or without the consent of the Guarantor; provided, however, that Guarantor shall not be liable for any increase in liability occasioned by an amendment or modification of the Lease made by Landlord and Tenant without the written consent of Guarantor.

2. Guarantor hereby covenants and agrees to and with Landlord that if a default shall at any time be made by Tenant in the payment of any Base Monthly Rent or other sums and charges payable by Tenant under the Lease in the event of a Financial Proceeding (as defined in Section 8 below), Guarantor shall, upon delivery of written notice from Landlord, forthwith pay such Base Monthly Rent and other such sums and charges and any arrears thereof (including, without limitation, damages, interest, costs, fees, attorneys' fees and expenses) (collectively "Lease Amounts"), and shall and will forthwith pay all Lease Amounts that (a) may arise in connection with or otherwise relate to any default by Tenant under the Lease and/or any enforcement of this Guaranty, or (b) would have accrued under the Lease but for the commencement of a Financial Proceeding.

3. Landlord may, without notice, assign this Guaranty in whole or in part, and no assignment or transfer of the Lease shall operate to extinguish or diminish the liability of the Guarantor hereunder.

4. The liability of Guarantor under this Guaranty shall be primary, and in any right of action which shall accrue to Landlord under the Lease, the Landlord may, at its option, proceed against Guarantor without having commenced any action or obtained any judgment against Tenant. Guarantor further agrees that it may be joined in any action against Tenant in connection with the said obligations of Tenant and recovery may be had against Guarantor in any such action. Guarantor hereby expressly waives the benefits and defenses under California Civil Code Sections 2821, 2839, 2847, 2848, 2849 and 2855 to the fullest extent permitted by applicable law. Guarantor agrees not to exercise any of its rights of subrogation or reimbursement against Tenant until after all amounts due and owing under the Lease have been paid. If the foregoing waiver is determined by a court of competent jurisdiction to be void or voidable, Guarantor agrees to subordinate its rights of subrogation and reimbursement against Tenant to Landlord's rights against Tenant under the Lease.

5. Guarantor shall pay Landlord's reasonable attorney's fees and all costs and other expenses incurred in any collection or other action related to the obligations hereby guaranteed, or enforcing this Guaranty against the Guarantor.

6. If Tenant is in default of the Guaranteed Obligations under the Lease, Landlord may proceed against either Guarantor or Tenant, or both, or Landlord may enforce against Guarantor or Tenant any rights that Landlord has under the Lease, in equity or under applicable law. If the Lease terminates, Landlord may enforce the Guaranteed Obligations against Guarantor, even if Landlord would be unable to enforce them against Tenant, in any case without giving previous notice to Tenant. Guarantor specifically agrees and understands that this Guaranty of the undersigned is a continuing guarantee under which Landlord may proceed forthwith and immediately against Tenant or against Guarantor following any default by Tenant. Guarantor hereby waives all benefits and defenses under California Civil Code Sections 2845, 2848, 2849 and 2850, including without limitation: (a) the right to require Landlord to proceed against Tenant, proceed against or exhaust any security that Landlord holds from Tenant or pursue any other remedy in Landlord's power; (b) any defense to its obligations hereunder based on the termination or limitation of Tenant's liability; (c) all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, and notices of acceptance of this Guaranty; and (d) all notices of the existence, creation , or incurring of new or additional obligations. Landlord shall have the right to enforce this Guaranty regardless of the acceptance of additional security from Tenant and regardless of the release or discharge of Tenant by Landlord or by others or by operation of any law relating to protection of debtors, bankruptcy, assignments for the benefit of creditors, or insolvency.

7. The terms and provisions of this Guaranty shall be binding on and inure to the benefit of the respective successors and assigns of the parties named herein. Guarantor's obligations under this Guaranty shall be binding on Guarantor's successors and assigns. All references in this Guaranty (a) to Landlord and Tenant shall include their successors, assigns or tenants, as the case may be, (b) to Tenant, shall include any successors in interest to Tenant (whether or not directly succeeding Tenant) by reason of an Event of Reorganization (as defined in Section 8 below).

8. The obligations of Guarantor under this Guaranty shall remain in full force and effect and Guarantor shall not be discharged or limited by any of the following events with respect to Tenant or Guarantor: (a) insolvency, bankruptcy, reorganization arrangement, adjustment, composition, assignment for the benefits of creditors, liquidation, winding up or dissolution (each a "Financial Proceeding"); of (b) any merger, acquisition, consolidation or change in entity structure, or any sale, Lease, transfer, or other disposition of any entity's assets, or any sale or other transfer of interests in the entity (each an "Event of Reorganization"); or (c) any sale, exchange, assignment, hypothecation or other transfer, in whole or in part, of Landlord's interest in the Leased Premises or the Lease. Without limiting the foregoing, Guarantor hereby expressly waives the benefits and defenses under any statute or judicial decision (including but not limited to the case styled In Re Arden, 176 F. 3d 1226 (9th Cir. 1999)) that would otherwise (i.e., were it not for such waiver) permit Guarantor to claim or obtain the benefit of any so called "capped claim" available to Tenant

in any Financial Proceeding. If all or any portion of the obligations guaranteed hereunder are paid or performed and all or any part of such payment or performance is avoided or recovered, directly or indirectly, from Landlord as a preference, fraudulent transfer or otherwise, then Guarantor's obligations hereunder shall continue and remain in full force and effect as to any such avoided or recovered payment or performance.

9. The provisions of the Lease may be changed by agreement between Landlord and Tenant (and/or any permitted assignee of Tenant or any subsequent assignee) without the consent of or notice to Guarantor. The Lease may be assigned by Landlord or Tenant, and the Leased Premises, or a portion thereof, may be sublet by Tenant, all in accordance with the provisions of the Lease, without the consent of or notice to Guarantor. This Guaranty shall guarantee the performance of the Lease so assigned. Without limiting the generality of the foregoing, Guarantor waives the rights and benefits of California Civil Code Sections 2819 and 2820 with respect to any change to the Lease between Landlord and Tenant, and agrees that by doing so Guarantor's liability shall continue even if (a) Landlord and Tenant alter any Lease obligations, or (b) Guarantor's remedies or rights against Tenant are impaired or suspended without Guarantor's consent by such alteration of Lease obligations.

10. Guarantor's liability hereunder shall continue until all sums due and owing Landlord under the Lease have been paid.

11. This Guaranty shall be one of payment and performance and not of collection.

12. The term "Lease" whenever used in this guaranty shall be deemed, and interpreted so as, to also include any renewals or extensions of the initial or renewal term(s), as the case may be, and any holdover periods thereunder.

13. All demands, notices and other communications under or pursuant to this guaranty shall be in writing, and shall be deemed to have been duly given when (a) personally delivered, or (b) the date of actual delivery by overnight courier services (e.g. Federal Express), or (c) received by email so long as the sender also sends a hard copy sent within one (1) business day by any of the foregoing means, addressed to the party at the address set forth below, or at such other address as may be hereafter designated in writing by either party to the other.

Guarantor: Ascendis Pharma A/S
Tuborg Boulevard 12
2900 Hellerup
Denmark
Attention: [**]
Email: [**]

Landlord: 1050 Page Mill Road Property, LLC
c/o Sand Hill Property Company
965 Page Mill Road
Palo Alto, California 94304
Attention: [**]
Email: [**]

14. Guarantor hereby represents and warrants that it is duly authorized to execute and deliver this Guaranty; that this Guaranty is binding on Guarantor in accordance with its terms; that the terms and provisions of this Guaranty are intended to be valid and enforceable in accordance with its terms; and that the signatory to this Guaranty is duly authorized to bind Guarantor and execute this Guaranty on Guarantor's behalf.

15. Guarantor shall, within ten business days after Landlord's request therefor, deliver to Landlord a copy of Guarantor's (and any guarantor's) current audited financial statements (including a balance sheet, income statement and statement of cash flow, all prepared in accordance with generally accepted accounting principles); provided, however, that as long as the common stock of Guarantor (or its assigns permitted pursuant to this Lease or otherwise approved by Landlord in writing) is publicly-traded on a United States national stock exchange, and such information is available as part of Guarantor's or such Permitted Transferee's 10-K or 10-Q report filings on the SEC's Edgar website, and such materials are current per SEC filing requirements, then such requirement shall be fulfilled by such filings. Landlord shall be entitled to disclose such financial statements or other information to its Lender, to any present or prospective principal of or investor in Landlord, or to any prospective Lender or purchaser of the Building, the Property, or any portion thereof or interest therein. Any such financial statement shall be confidential and shall not be disclosed by Landlord to any third party except as specifically provided in this paragraph, unless the same becomes a part of the public domain without the fault of Landlord.

16. Guarantor will, following any request by Landlord, promptly execute and deliver to Landlord an estoppel certificate in the form attached to this Guaranty as **Exhibit A** (modified to the extent necessary to make the statements contained therein accurate). In the event that Guarantor fails to execute and deliver such estoppel certificate within ten days after Landlord's request therefor, Landlord may make a second request, and Guarantor's failure to execute and deliver such estoppel certificate within five business days after Landlord's second request therefor shall be deemed a material default by Tenant under the Lease, and no further notice shall be required under Paragraph 12.1(c) or any other provision of the Lease, and Landlord shall have all of the rights and remedies available to Landlord as Landlord would otherwise have in the case of any other material default by Tenant, it being agreed and understood by Guarantor that Guarantor's failure to so deliver such estoppel certificate in a timely manner could result in Landlord being unable to perform committed obligations to other third parties which were made by Landlord in reliance upon this covenant of Guarantor. Landlord and Guarantor intend that any statement delivered pursuant to this paragraph may be relied upon by any lender or purchaser or prospective lender or purchaser of the Building, the Property, or any interest in them.

17. Guarantor may not assign or otherwise delegate any of its rights or obligations hereunder without first obtaining Landlord's written consent thereto, which consent may be withheld in Landlord's sole discretion. Any dissolution, merger, consolidation or other reorganization of Guarantor, or the sale or other transfer in the aggregate over the term of the Lease of a controlling percentage of the capital stock of or other equity interests in Guarantor, or the sale or transfer of all or a substantial portion of the assets of Guarantor, shall be deemed an assignment and delegation of Guarantor's rights or obligations for which Landlord's consent is so required. The phrase "controlling percentage" means the direct or indirect ownership of or right to vote (a) stock possessing more than fifty percent of the total combined voting power of all classes of Guarantor's capital stock issued, outstanding and entitled to vote for the election of directors, or (b) equity interests possessing the ability to direct the management of Guarantor. The terms and provisions of this Guaranty shall inure to the benefit of Landlord and its lenders, representatives, successors and assigns. Guarantor hereby acknowledges that Landlord is relying upon Guarantor's covenants, representations and warranties contained in this Guaranty in entering into the Lease with Tenant, and Guarantor hereby undertakes to perform its obligations hereunder promptly and in good faith.

18. In the event Guarantor fails to perform any of its obligations under this Guaranty or in the event a dispute arises concerning the meaning or interpretation of any provision of this guaranty, the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder, including, without limitation, court costs, expert fees, and reasonable attorneys' fees.

19. This Guaranty shall be deemed to have been entered into and shall be construed and enforced in accordance with the laws of the State of California, without regard to conflict of laws and as applied to contracts made and to be performed entirely within California. Any action brought by either Landlord or Guarantor against the other party arising out of this Guaranty shall be brought only in a state or federal court located in San Francisco, California. Guarantor hereby agrees to the jurisdiction and judgment of the state and federal courts of California and agrees that a judgment of a state or federal court in California shall be enforceable in the jurisdiction in which the Guarantor is located.

20. Time and strict and punctual performance are of the essence with respect to each provision of this Guaranty.

21. If any provision of this Guaranty (or the application of such provision to any person or circumstance) is or becomes invalid and unenforceable, the remainder of this Guaranty, and the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, are not affected by such invalidity or unenforceability.

22. Any waiver of a default or provision under this Guaranty must be in writing. No such waiver constitutes a waiver of any other default or provision concerning the same or any other provisions of this Guaranty. No delay or omission by a party in the exercise of any of its rights or remedies constitutes a waiver of (or otherwise impairs) such right or remedy. A consent to or approval of an act does not waive or render unnecessary the consent to or approval of any other or subsequent act.

23. Guarantor has reviewed this Guaranty with its legal counsel, and the rule of construction providing that ambiguities are to be resolved against the drafting party or in favor of the party receiving a particular benefit under an agreement may not be employed in the interpretation of this Guaranty or any amendment thereto.

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be executed by its designated representative, duly authorized thereunto as of the day and year first set forth above.

ASCENDIS PHARMA A/S [NASD: ASND]

By:______________________________
Jan Mikkelsen, CEO and President

Building 1

EXHIBIT A TO LEASE GUARANTY

FORM OF ESTOPPEL CERTIFICATE

___________________, 20____

____
____
____

Re: ____________________
________________, California

Ladies and Gentlemen:

Reference is made to that certain Guaranty of Lease, dated as of _______________, 20___, between ______________, a ______________________________ ("Landlord"), and the undersigned (herein referred to as the "Guaranty"). A copy of the Guaranty [and all amendment thereto] is[are] attached hereto as **Attachment 1**. At the request of Landlord in connection with [Insert reasons for request for estoppel certificate], the undersigned hereby certifies to Landlord and to [insert names of other parties requiring certification (*e.g.*, lender, purchaser, investor)] ("Lender"/ "Purchaser"/ "Investor") and each of their respective successors and assigns as follows:

1. The undersigned is the Guarantor under the Guaranty.
2. As of the date hereof, the Guaranty is in full force and effect.
3. A true, correct, and complete copy of the Guaranty and any amendments thereto is attached hereto as **Attachment 1**.
4. The Guaranty has not been amended, modified, supplemented or superseded except as indicated in **Attachment 1**.
5. As of the date hereof, there is no defense, offset, claim or counterclaim by or in favor of the undersigned against Landlord under the Guaranty or against the obligations of the undersigned under the Guaranty.
6. As of the date hereof, the undersigned is not aware of any default now existing of the undersigned, nor of any event which with notice or the passage of time or both would constitute a default of the undersigned, under the Guaranty.

The above certifications are made to Landlord and [Lender/ Purchaser/ Investor] knowing that Landlord and [Lender/ Purchaser/ Investor] will rely thereon in [making a loan secured in part by an assignment of the Lease/ accepting an assignment of the Lease/ investing in Landlord/other].

Very truly yours,

____

By: ______________________________
Name:
Title:

Building 1

ATTACHMENT 1 TO ESTOPPEL

LEASE GUARANTY [AND AMENDMENTS]

ATTACHMENT 2

OPINIONS TO BE INCLUDED IN

LEASE GUARANTY OPINION

Based upon the above documents and subject to the assumptions and the qualifications set forth herein, we are of the opinion that:

1. Guarantor has been incorporated, is validly existing under the laws of Denmark, has the corporate power and authority to execute and deliver, and perform its obligations under the Guaranty;

2. The execution and delivery by Guarantor of the Guaranty have been duly authorized;

3. Assuming that the Guaranty constitutes legal, valid and binding obligations of Guarantor enforceable in accordance with its terms under the laws of the state of California, the Guaranty constitutes under the laws of Denmark legal, valid and binding obligations of Guarantor, enforceable in accordance with its terms;

4. The Guaranty constitutes unsecured and unsubordinated obligations of Guarantor ranking *pari passu* with all other unsecured and unsubordinated indebtedness of Guarantor;

5. The choice of law provision in the Guaranty is, assuming such provision is valid and binding under the laws of the state of California, valid and binding under the law of Denmark; and

6. Courts in Denmark would recognize as a valid judgment any final and conclusive civil judgment for monetary claims obtained in the courts of the state of California of competent jurisdiction against Guarantor in an action based upon the Guaranty.

EXHIBIT A

SITE PLAN

[**]

EXHIBIT B

WORK LETTER

THIS TENANT WORK LETTER ("**Work Letter**") sets forth the agreement of Landlord and Tenant with respect to the improvements to be constructed in the Leased Premises, as defined in the Lease to which this Work Letter is attached as an exhibit. In the event of any inconsistency between the terms of this Work Letter and the terms of the Lease, the terms of the Lease shall control. All defined terms used herein shall have the meanings set forth in the Lease, unless otherwise defined in this Work Letter.

1. **Tenant Improvements**. Tenant shall construct, furnish or install all improvements, equipment or fixtures, that are necessary for Tenant's use and occupancy of the entirety of the Leased Premises (collectively, the "**Tenant Improvements**"). Tenant shall complete construction of the Tenant Improvements for the entirety of the Leased Premises. Tenant shall also be responsible for the cost of any alterations to the Building required as a result of the Tenant Improvements. Tenant will engage a consultant reasonably approved by Landlord to manage the design and construction of the Tenant Improvements ("**Tenant Improvement Project Manager**"). Tenant shall cause all drawings and specifications for the Tenant Improvements to be prepared by an architect selected by Tenant ("**Tenant Improvement Architect**") and to be constructed by a general contractor licensed in California, selected by Tenant, and reasonably approved by Landlord ("**Tenant Improvement Contractor**"). Landlord hereby approves the use of (a) CAC Architects, as the Tenant Improvement Architect, (b) The Core Group, as the Tenant Improvement Contractor, (c) SRM Consulting Services, LLC as Tenant's project manager, (d) AGC, Therma, Pappas, Aquafine, as plumbing subcontractors, (e) AGC, Therma, and UML as HVAC subcontractors, and (f) RK, Howell, and Farris, as electrical subcontractors. Landlord's prior written consent, which shall not be unreasonably withheld, shall be required if Tenant desires to change its Tenant Improvement Architect, Tenant Improvement Contractor or Tenant Improvement Project Manager. Tenant shall furnish to Landlord a copy of the executed contracts between Tenant and Tenant Improvement Architect, and Tenant and Tenant Improvement Contractor, covering all of Tenant's obligations under this Work Letter.

The Tenant Improvements shall be in conformity with drawings and specifications submitted to and approved by Landlord, which approval shall not be unreasonably withheld or delayed, and shall be performed in accordance with the following provisions:

Tenant Improvement Space Plans. Tenant shall prepare and submit to Landlord for its approval Tenant Improvement space plans (the "**Tenant Improvement Space Plans**"). Within five (5) business days after receipt of Tenant's drawings Landlord shall return one set of prints thereof with Landlord's approval and/or suggested modifications noted thereon. If Landlord has approved Tenant's drawings subject to modifications, such modifications shall be deemed to be acceptable to and approved by Tenant unless Tenant shall prepare and resubmit revised drawings for further consideration by Landlord. If Landlord has suggested modifications without approving Tenant's drawings Tenant shall prepare and resubmit revised drawings within five (5) business days for consideration by Landlord. All revised drawings shall be submitted, with changes highlighted, to Landlord within five (5) business days following Landlord's return to Tenant of the drawings originally submitted, and Landlord shall approve or disapprove such revised drawings within five (5) business days following receipt of the same. Landlord shall be provided with a copy of Tenant's preliminary floor plan and associated CAD files as a condition to receiving reimbursement.

Tenant Improvement Design Development Plans. Tenant shall prepare and submit to Landlord for its approval Tenant Improvement design development plans ("**Tenant Improvement Design Development Plans**"). Within ten (10) business days after receipt of Tenant's drawings Landlord shall return one set of prints thereof with Landlord's approval and/or suggested modifications noted thereon. If Landlord has approved Tenant's drawings subject to modifications, such modifications shall be deemed to be acceptable to and approved by Tenant unless Tenant shall prepare and resubmit revised drawings for further consideration by Landlord. If Landlord has suggested modifications without approving Tenant's drawings Tenant shall prepare and resubmit revised drawings within ten (10) business days for consideration by Landlord. All revised drawings shall be submitted, with changes highlighted, to Landlord within ten (10) business days following Landlord's return to Tenant of the drawings originally submitted, and Landlord shall approve or disapprove such revised drawings within ten (10) business days following receipt of the same.

Tenant Improvement Working Drawings. Tenant shall prepare and submit to Landlord for its approval Tenant Improvement working drawings ("**Tenant Improvement Working Drawings**") including mechanical, electrical, and plumbing plans ("**MEP**"). Within five (5) business days after receipt of Tenant's drawings Landlord shall return one set of prints thereof with Landlord's approval and/or suggested modifications noted thereon. If Landlord has approved Tenant's drawings subject to modifications, such modifications shall be deemed to be acceptable to and approved by Tenant unless Tenant shall prepare and resubmit revised drawings for further consideration by Landlord. If Landlord has suggested modifications without approving Tenant's drawings Tenant shall prepare and resubmit revised drawings within ten (10) business days for consideration by Landlord. All revised drawings shall be submitted, with changes highlighted, to Landlord within ten (10) business days following Landlord's return to Tenant of the drawings originally submitted, and Landlord shall approve or disapprove such revised drawings within five (5) business days following receipt of the same.

Final Tenant Improvement Plans: Tenant shall submit the approved Tenant Improvement Working Drawings to the Palo Alto Building Department for a Tenant Improvement building permit prior to the commencement of such work. The Tenant Improvement Working Drawings as modified by the City of Palo Alto are defined herein as the "**Final Tenant Improvement Plans**." Prior to commencing construction, Tenant shall deliver to Landlord a copy of the City of Palo Alto building permit for the Final Tenant Improvement Plans.

Any material changes to the Final Tenant Improvement Plans shall be subject to Landlord's prior written approval, which shall not be unreasonably withheld, conditioned, or delayed. Any material deviation in construction from the design specifications and criteria set forth in the Final Tenant Improvement Plans, other than as approved in writing by Landlord (such approval not to be unreasonably withheld or delayed), shall constitute a default for which Landlord may, within ten (10) business days after giving written notice to Tenant, elect to exercise the remedies available in the event of default under the provisions of this Lease, unless such default is cured within such ten (10) business day period, or, if the cure reasonably requires more than ten (10) business days, unless such default is cured as soon as reasonably practicable but in no event later than sixty (60) days after Landlord's notice to Tenant. Only new materials shall be used in the construction of the Tenant Improvements, except with the written consent of Landlord.

Tenant acknowledges that it will engage the Tenant Improvement Architect, the Tenant Improvement Project Manager, and the Tenant Improvement Contractor, and shall be solely responsible for the actions and omissions of its architects, engineers, contractors, and project/construction managers and for any loss, liability, claim, cost, damage or expense suffered by Landlord or any other entity or person as a result of the acts or omissions of its architect, engineers or project/construction managers. Landlord's approval of any of Tenant's architects, engineers or project/construction managers and of any documents prepared by any of them shall not be for the benefit of Tenant or any third party, and Landlord shall have no duty to Tenant or to any third parties for the actions or omissions of Tenant's architects, engineers or project/construction managers. Tenant shall indemnify and hold harmless Landlord from and against any and all losses, costs, damages, claims and liabilities arising from the actions or omissions of Tenant's architects, engineers and project/construction managers.

The Tenant Improvements shall be constructed by Tenant Improvement Contractor in accordance with the Final Tenant Improvement Plans, in compliance with all of the terms and conditions of this Work Letter and the Lease, and with all applicable Laws and Restrictions. The Tenant Improvement Contractor shall obtain a builder's risk policy of insurance in an amount and form and issued by a carrier reasonably satisfactory to Landlord, and its subcontractors shall carry worker's compensation insurance for their employees as required by law. The builder's risk policy of insurance shall name Landlord as an additional insured and shall not be cancelable without at least thirty (30) days' prior written notice to Landlord.

Tenant shall notify Landlord of its intention to commence construction ten (10) days prior to commencement and shall again notify Landlord of actual commencement within one (1) business day thereafter, which commencement shall allow for Tenant's Improvements to be completed no later than one (1) year after the Lease Commencement Date, subject to any delays caused by Landlord's delay in responding to plans, and delays caused by Force Majeure and Covid 19. Landlord shall have the right to post in a conspicuous location on the Building or the Leased Premises, as well as record with the County of Santa Clara, a Notice of Nonresponsibility. Tenant shall provide Landlord with a copy of the City of Palo Alto building permit allowing for the construction of the Final Tenant Improvement Plans prior to commencement of construction of the Tenant Improvements.

Tenant shall, and shall cause Tenant's Project Manager to, use commercially reasonable efforts to cause construction of the Final Tenant Improvement Plans to be performed in as efficient a manner as is commercially reasonable. All work to be performed inside or outside of the Building shall be coordinated with Landlord. Tenant and the Tenant Improvement Contractor shall conduct their work and employ labor in such manner as to maintain harmonious labor relations. Tenant shall complete construction of the Final Tenant Improvement Plans for the entirety of the Leased Premises to allow for occupancy (excepting cafeteria) no later than eighteen (18) months after the Lease Commencement Date, subject to delays caused by Force Majeure including COVID 19 Delays.

Building 1

No trash, or other debris, or other waste may be deposited at any time outside the Building except in containers reasonably approved by Landlord. If so, Landlord may, after written notice to Tenant, remove it at Tenant's expense, which expense shall equal the cost of removal plus ten percent (10%) of such costs as a management fee. Storage of Tenant Improvement construction materials, tools and equipment shall be coordinated with Landlord's contractor. Tenant shall reimburse Landlord on demand for the cost of repairing any damage to the Building caused by Tenant Improvement Contractor and its subcontractors during the construction of the Tenant Improvements. Upon completion of the Tenant Improvements, Tenant shall cause the Building and the Common Areas to be clean and free from construction debris resulting from Tenant's Tenant Improvement construction.

Tenant shall submit to Landlord on or before the date Tenant commences business operations in the Leased Premises, a Certificate of Substantial Completion, AIA Document G704, by its Tenant Improvement Architect for the Final Tenant Improvement Plans, a copy of all final inspection cards for the Tenant Improvements signed by the appropriate City of Palo Alto inspector and the Temporary Certificate of Occupancy from the City of Palo Alto, if applicable.

Tenant shall submit to Landlord two CDs containing copies of all Tenant Improvement as-built plans and specifications, warranties, and operating manuals covering all of the work in the Final Tenant Improvement Plans. Tenant hereby assigns to Landlord on a non-exclusive basis any and all rights Tenant may have under such warranties, without in any way obligating Landlord to pursue or prosecute such rights. Tenant shall retain the right to pursue or prosecute any such rights to the extent that Landlord does not do so.

Any minor work required for Tenant's occupancy of the Leased Premises but not included in the Final Tenant Improvement Plans such as the procurement and installation of furniture, fixtures, equipment, interior artwork and signage, shall not require Landlord approval but shall be installed in a good and workmanlike manner by Tenant.

2. Project Costs. The costs and expenses of the Tenant Improvements shall be paid in accordance with this Paragraph 2.

(a) Tenant Improvements. Unless specified otherwise herein, Tenant shall bear and pay the cost of the Tenant Improvements (which cost shall include, without limitation, the costs of construction as provided for in the Tenant Improvement Contractor's contract, the cost of permits, and all architectural, design, space planning, and engineering services obtained by Tenant in connection with Tenant Improvements); provided that so long as Tenant is not in default under the Lease, Landlord shall contribute a maximum (subject to Paragraph 3 below) of $ [**] per rentable square foot, for an aggregate maximum of [**] (the "**Tenant Improvement Allowance**"), which shall be utilized only for hard costs of construction and reasonable soft costs relating thereto such as architectural, engineering, permitting, and project management fees, and shall be available to Tenant only until eighteen (18) months after the Lease Commencement Date, after which Landlord shall have no further obligation to provide any portion of the Tenant Improvement Allowance. Subject to such deadline, and based upon applications for payment prepared, certified and submitted by Tenant as described below, Landlord shall make progress payments from the Tenant Improvement Allowance to Tenant in accordance with the provisions of this Paragraph 2 (but in no event more than $ [**] per square foot for the applicable space under construction), as follows:

(i) Not later than the 25th day of each month Tenant shall submit applications for payment to Landlord in a form reasonably acceptable to Landlord, including Tenant Improvement Contractor's Application and Certification for Payment AIA G702 certified by Tenant Improvement Architect, certified as correct by an officer of Tenant and by Tenant's architect, for payment of that portion of the cost of the Tenant Improvements allocable to labor, materials and equipment incorporated in the Building during the period from the first day of the same month projected through the last day of the month. Each application for payment shall set forth such information and shall be accompanied by such supporting documentation as shall be reasonably requested by Landlord, including the following:

(A) Invoices and canceled checks.

(B) Fully executed conditional lien releases in the form prescribed by law from the Tenant Improvement Contractor and all subcontractors and suppliers furnishing labor or materials during such period and fully executed unconditional lien releases from all such entities covering the prior payment period.

(C) Tenant Improvement Contractor's worksheets showing percentages of completion.

(D) Tenant Improvement Contractor's certification as follows:

Building 1

"There are no known mechanics' or materialmen's liens outstanding at the date of this application for payment, all due and payable bills with respect to the Building have been paid to date or shall be paid from the proceeds of this application for payment, and there is no known basis for the filing of any mechanics' or materialmen's liens against the Building or the Property, and, to the best of our knowledge, waivers from all subcontractors are valid and constitute an effective waiver of lien under applicable law to the extent of payments that have been made or shall be made concurrently herewith."

(ii) Tenant shall submit with each application for payment all documents necessary to effect and perfect the transfer of title to the materials or equipment for which application for payment is made.

(iii) On or before the 45th day following submission of the application for payment, so long as Tenant is not in default under the terms of this Work Letter or the Lease, Landlord shall pay a share of such payment determined by multiplying the amount of such payment by a fraction, the numerator of which is the amount of the Tenant Improvement Allowance, and the denominator of which is the sum of (i) estimated construction cost of all Tenant Improvement work and materials for the entire Leased Premises, and (ii) the estimated cost of all professional services, fees and permits in connection therewith. Tenant shall pay the balance of such payment, provided that at such time as Landlord has paid the entire Tenant Improvement Allowance on account of such Tenant Improvement work, all billings shall be paid entirely by Tenant. If upon completion of the Tenant Improvement Work and payment in full to the Tenant Improvement Contractor, the architect and engineer, and payment in full of all fees and permits, the portion of the cost of the Tenant Improvement Work, architects' and engineers' fees, permits and fees theretofore paid by Landlord is less than the Tenant Improvement Allowance, Landlord shall reimburse Tenant for costs expended by Tenant for Tenant Improvement work up to the amount by which the Tenant Improvement Allowance exceeds the portion of such cost theretofore paid by Landlord. Landlord shall have no obligation to advance the Tenant Improvement Allowance to the extent it exceeds the total cost of the Tenant Improvement Work. In no event shall Landlord have any responsibility for the cost of the Tenant Improvement Work in excess of the Improvement Allowance. Landlord shall have no obligation to make any payments to Tenant Improvement Contractor's material suppliers or subcontractors or to determine whether amounts due them from Tenant Improvement Contractor in connection with the Tenant Improvement work have, in fact, been paid.

(b) Evidence of Completion of Improvement Work. Upon the completion of the Improvement Work, Tenant shall:

(i) Submit to Landlord a detailed breakdown of Tenant's final and total construction costs, together with receipted evidence showing payment thereof, satisfactory to Landlord.

(ii) Submit to Landlord evidence showing compliance with any and all other laws, orders and regulations of any and all governmental authorities having jurisdiction over the Building, including, without limitation, the building permit for the Tenant Improvements signed off by the applicable governmental authorities and authorization for physical occupancy of the Building.

(iii) Submit to Landlord the as-built plans and specifications referred to above.

3. **Excess Tenant Improvement Allowance**. At Tenant's election, Landlord shall provide an additional allowance (the "**Additional TI Allowance**") of up to $ [**] per rentable square foot (i.e., $ [**] based on 72,812 rentable square feet). In no event shall the Additional Allowance exceed $ [**] per rentable square foot. Tenant covenants and agrees: (i) in order to afford Landlord adequate time in which to fund the Additional TI Allowance, Tenant shall notify Landlord in writing of the amount of the Additional TI Allowance which Tenant will request Landlord to pay, no later than six (6) months following the Lease Commencement Date, (ii) Base Monthly Rent due under the Lease shall be increased by $ [**] per rentable square foot for each $ [**] of Additional TI Allowance (prorated if applicable) so provided to Tenant, (iii) the parties shall enter into an amendment of the Lease to modify the schedule of Base Monthly Rent set forth in Article 1 by an updated schedule reflecting the increase in Base Monthly Rent, and (iv) the Additional TI Allowance shall otherwise constitute a part of the Tenant Improvement Allowance, shall be disbursed in the same manner as the Tenant Improvement Allowance, and shall be subject to the restrictions and conditions on such Tenant Improvement Allowance provided in this Work Letter.

4. **Assignment of Rights Against Architect, Contractor, etc**. Tenant hereby assigns to Landlord on a non-exclusive basis any and all rights Tenant may have against the Tenant Improvement Contractor, the Tenant Improvement Architect, the Tenant Improvement Project Manager, and any other of Tenant's consultants, subcontractors, agents, etc., relating to the Tenant Improvements, without in any way obligating Landlord to pursue or prosecute such rights. Tenant shall retain the right to pursue or prosecute any such rights to the extent that Landlord does not do so. Tenant shall promptly cause the Tenant Improvement Contractor, the Tenant Improvement Architect, the Tenant Improvement

Project Manager, and any other of Tenant's consultants, subcontractors, agents, etc. (once each such person has been engaged) to execute and deliver to Landlord a consent in the form of Exhibit A hereto, consenting to the foregoing assignment.

Building 1

EXHIBIT A TO WORK LETTER

FORM OF CONSENT TO ASSIGNMENT

This **CONSENT TO ASSIGNMENT** ("**Consent**") is dated as of this __ day of __________, 202_, by ________________, a ______________ (["**Tenant Improvement Architect**"/"**Tenant Improvement Contractor**"/"**Tenant Improvement Project Manager**"/**Other Consultant**]), in favor of ____________ **Office Partners Holding Company LLC**, a California limited liability company ("**Landlord**").

RECITALS

A. Landlord and ________________, a ______________ ("**Tenant**") entered into that certain Lease Agreement dated as of __________, 2020 (the "**Lease**") for premises located in the City of _________, County of __________, State of California, commonly known as or otherwise described as ________________ Road, Suite __, __________, California; and

B. Exhibit B to the Lease is a Work Letter pursuant to which Tenant has retained [Tenant Improvement Architect/Tenant Improvement Contractor/Tenant Improvement Project Manager/Other Consultant].

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, [Tenant Improvement Architect/Tenant Improvement Contractor/Tenant Improvement Project Manager/Other Consultant] hereby consents to the assignment effected by Paragraph 4 of the Work Letter.

IN WITNESS WHEREOF, [Tenant Improvement Architect/Tenant Improvement Contractor/Tenant Improvement Project Manager/Other Consultant] has executed this Consent as of the date first written above.

[TENANT IMPROVEMENT ARCHITECT/TENANT IMPROVEMENT CONTRACTOR/TENANT IMPROVEMENT PROJECT MANAGER/OTHER CONSULTANT]

By: ____________________________________
Title: ___________________________________

By: ____________________________________
Title: ___________________________________

EXHIBIT C

PRE-APPROVED FORM OF GROUND LESSOR'S CONSENT

CONSENT TO SUBLEASE

This CONSENT TO SUBLEASE (the "***Consent***") is made as of _______________, 2020 by and among THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY, a body having corporate powers under the laws of the State of California ("***Lessor***"), 1050 PAGE MILL ROAD PROPERTY, LLC, a Delaware limited liability company ("***Lessee***"), and ASCENDIS PHARMA, INC., a Delaware corporation ("***Subtenant***"), in the following factual context:

A. Lessor and Lessee are the current parties to that certain Ground Lease dated as of June 25, 1998, but effective as of December 28, 1955 (as amended to date, "***Lease***"), pursuant to which Lessee is the ground lessee of real property commonly known as 1050 Page Mill Road, Palo Alto, California 94304 (the "***Lease Premises***").

B. Lessee and Subtenant have entered into that certain Sublease dated as of October 26, 2020 (the "***Sublease***") for a portion of the Lease Premises referred to as Building #1, commonly known as 1000 Page Mill Road, Palo Alto, California and consisting of approximately 72,812 rentable square feet (the "***Sublease Premises***"), and Lessor is willing to consent to the Sublease on the terms and conditions set forth in this Consent.

NOW THEREFORE, the parties agree as follows:

1. **Consent.** Subject to the following provisions of this Consent, Lessor hereby consents to Lessee's sublease of the Sublease Premises to Subtenant pursuant to the Sublease. Any amendment, modification, assignment or sublease of the Sublease shall be subject to Lessor's prior written consent.

2. **Use.** Subtenant's use of the Sublease Premises shall in all respects comply with all applicable laws and the Lease.

3. **Subordination.** The Sublease is and shall remain at all times subject and subordinate in all respect to the Lease.

4. **No Modification.** This Consent shall not modify or be deemed to modify or amend the Lease in any way, or to impose on Lessor any obligation to provide notice to, or obtain consent from, Subtenant with respect to amendments, defaults, waivers or any other matters pertaining to the Lease or the Sublease Premises. Any waiver by Lessor of its rights shall be made only by a writing signed by Lessor. In the event of any conflict between the terms of the Sublease and those of the Lease (including by way of example only, provisions that purport to allow Subtenant to undertake any action for which Lessor has approval rights under the Lease), the terms of the Lease shall prevail and the terms of the Sublease shall have no force or effect.

5. **Lease Termination.** Anything in the Sublease to the contrary notwithstanding, in the event of any termination of the Lease, including but not limited to by reason of its expiration, a voluntary surrender of the Lease by Lessee, or any default

of Lessee, at Lessor's option, the Sublease shall upon Lessor's notice (1) terminate in which case the Subtenant agrees promptly to surrender the Sublease Premises to Lessor upon such termination without compensation from Lessor, or (2) remain in full force and effect, whereupon Subtenant shall attorn to Lessor, as if the Sublease were a direct lease between Lessor and Subtenant, provided that Lessor shall not be liable for any obligations of liabilities of Lessee (as landlord) arising prior to the termination of the Sublease.

6. **Environmental Release.** By execution of this Consent, Subtenant hereby represents to Lessor that Subtenant is aware that detectable amounts of hazardous substances and groundwater contaminants have come to be located beneath and/or in the vicinity of the Lease Premises. (See, for example RWQCB File No. 43S0196 (RWP) dated March 30, 2010.) Subtenant has made such investigations and inquiries as it deems appropriate to ascertain the effects, if any, of such substances and contaminants on its operations and persons using the Sublease Premises. Lessor makes no representation or warranty with regard to the environmental condition of the Lease Premises. Subtenant, on behalf of itself and its affiliated entities and their respective partners, employees, successors and assigns (collectively, "***Releasors***"), hereby covenants and agrees not to sue and forever releases and discharges Lessor, and its trustees, officers, directors, agents and employees for and from any and all claims, losses, damages, causes of action and liabilities, arising out of hazardous substances or groundwater contamination presently existing on, under, or emanating from or to the Lease Premises. In connection with the above release, Releasors understand and expressly waive any rights or benefits available under Section 1542 of the Civil Code of California or any similar provision in any other jurisdiction. Section 1542 provides substantially as follows:

> "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

7. **Indemnities, Insurance and Enforcement.** Subtenant hereby agrees that (a) all indemnities set forth in the Sublease in favor of Lessee shall also apply to and benefit Lessor, and (b) the insurance carried by Subtenant under the Sublease shall include Lessor as an additional insured. Subtenant further acknowledges and agrees that Lessor shall have no obligations or liabilities of any nature whatsoever to Subtenant with respect to the obligations of Lessee under the Sublease. Lessor shall have the right to enforce the Sublease, but Lessor and Subtenant shall not be deemed to be in privity of contract, and Lessor shall not have any liability to Subtenant in connection with the Sublease.

8. **Use of Name.** Subtenant shall not use any name, trademark or service mark of Lessor or Stanford University without the prior written consent of Lessor which consent may be given or withheld in Lessor's sole discretion.

9. **Effective Date.** Lessor's consent shall not be effective until this Consent has been duly executed by Lessor, Lessee and Subtenant. Subtenant shall have no right to occupy the Sublease Premises unless and until a fully executed copy of this Consent is electronically delivered to Lessor, and any premature occupancy shall, at Lessor's election, be a default under the Lease.

10. No Waiver. This Consent shall not be nor be deemed to be a consent or waiver or amendment of the Lease with respect to any other or future transaction, whether similar or dissimilar, and any other or future transaction shall require Lessor's written consent, which consent, except as otherwise expressly provided in the Lease, may be given or withheld in Lessor's sole discretion.

11. Counterparts. This Consent may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have entered into this Consent as of the date first above written.

LESSOR:

THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY, a body having corporate powers under the laws of the State of California

By: __________________________________
Name: Elaine Captain
Its: Director, Asset Management , Stanford Research Park

Building 1

ACKNOWLEDGED AND AGREED:

LESSEE:

1050 PAGE MILL ROAD PROPERTY, LLC,
a Delaware limited liability company

By: ____________________________________

Name: ____________________________________

Its: ____________________________________

SUBTENANT:

ASCENDIS PHARMA, INC.,
a Delaware corporation

By: ____________________________________

Name: ____________________________________

Its: ____________________________________

EXHIBIT D

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT PROVISIONS

RECORDING REQUESTED BY AND AFTER RECORDING, RETURN TO:

Clifford Chance US LLP
32 West 52nd Street
New York, New York 10019
Attn: [**]

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

This Subordination, Non-Disturbance and Attornment Agreement ("**Agreement**"), is made as of this __ day of _________________, 2020, among First Abu Dhabi Bank USA N.V., a private limited liability company organized under the laws of Curaçao, as lender (together with its successors and assigns, collectively, "**Lender**"), 1050 Page Mill Road Property, LLC, a Delaware limited liability company, as landlord (together with its successors and assigns, "**Landlord**"), and Ascendis Pharma, Inc., a Delaware corporation ("**Tenant**").

Background

A. Lender has agreed to make and [**] a public joint stock company incorporated under the Emirate of Abu Dhabi, United Arab Emirates, as agent (together with its successors and assigns, collectively, "Agent") has agreed to administer a loan to Landlord ("**Loan**"), which is secured by that certain Leasehold Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of May 29, 2018 by Landlord in favor of [**] as trustee in favor of Agent, as beneficiary (the "**Security Instrument**") on Landlord's property described more particularly on Exhibit A attached hereto ("**Property**").

B. Tenant is the present lessee under that certain Sublease between Landlord and Tenant dated as of October 26, 2020, as thereafter modified and supplemented ("**Lease**"), demising a portion of the Property known as "Building 1" as described more particularly in the Lease ("**Leased Space**").

C. A requirement of the Loan is that Tenant's Lease be subordinated to the Security Instrument. Landlord has requested Tenant to so subordinate the Lease in exchange for Agent's agreement not to disturb Tenant's possession of the Leased Space upon the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises of this Agreement, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Subordination. Tenant agrees that the Lease and all of the terms, covenants and provisions thereof, and all estates, options and rights created under the Lease, hereby are subordinated and

made subject to the lien and effect of the Security Instrument (including, without limitation, all renewals, increases, modifications, spreaders, consolidations, replacements and extensions thereof), as if the Security Instrument had been executed and recorded prior to the Lease.

2. Nondisturbance. Lender agrees (a) that no foreclosure (whether judicial or nonjudicial), deed-in-lieu of foreclosure, or other sale of the Property in connection with enforcement of the Security Instrument or otherwise in satisfaction of the Loan shall operate to terminate the Lease or disturb Tenant's rights thereunder to possess and use the Leased Space in accordance with the terms of the Lease, (b) not to join Tenant as a party defendant in any action or proceeding to foreclose the Security Instrument or to enforce any rights or remedies of Agent under the Security Instrument unless required by applicable law, and (c), that in any instance in which Agent is required to join Tenant as a defendant as provided in clause (b) above, Lender shall not, and shall not permit Agent to: (i) seek affirmative relief against Tenant, (ii) disturb Tenant's possession of the Premises, (iii) terminate the Lease, or (iv) otherwise adversely affect Tenant's rights under the Lease, in each case, with respect to the foregoing clauses (a), (b) and (c), provided, that (x) the Lease is in full force and effect, and (y) no uncured default exists under the Lease beyond the expiration of any applicable notice and cure periods.

3. Attornment. Tenant agrees to attorn to and recognize as its landlord under the Lease each party acquiring legal title to the Property by foreclosure (whether judicial or nonjudicial) of the Security Instrument, deed-in-lieu of foreclosure, or other sale in connection with enforcement of the Security Instrument or otherwise in satisfaction of the Loan ("**Successor Owner**"). In no event will any Successor Owner be: (a) liable for any default, act or omission of any prior landlord under the Lease, provided that the foregoing shall not limit Successor Owner's obligations under the Lease to correct any conditions of a continuing nature that (x) existed as of the date Successor Owner became the owner of the Property, and (y) violate Successor Owner's obligations as landlord under the Lease; (b) subject to any offset or defense which Tenant may have against any prior landlord under the Lease; (c) bound by any payment of rent or additional rent (other than first month's rent) made by Tenant to Landlord more than 30 days in advance; (d) bound by any modification or supplement to the Lease, or waiver of Lease terms, made without Agent's written consent thereto, except for: (i) any amendment or modification of the Lease that is provided for or contemplated in the Lease in connection with Tenant's exercise of any renewal or extension rights with respect to the term, including any provision thereof that sets rental amounts or other economic terms for the extension term, so long as such rental amounts or other economic terms are specified in the Lease, or determined pursuant to appraisal or arbitration procedures set forth in the Lease (and provided that any rental amounts and other economic terms for the extension term that are voluntarily agreed-to between Landlord and Tenant are subject to Agent's approval rights set forth below in this Section 3), and so long as such amendment or modification is otherwise consistent with the terms of such renewal or extension rights; (ii) writings that establish the Lease Commencement Date (as that term is defined in the Lease); (iii) documentation confirming approvals or consents in accordance with the Lease and this Agreement (such as consents to subleases or assignments); and (iv) execution of estoppel certificates; or (e) liable for the return of any security deposit or other prepaid charge paid by Tenant under the Lease, except to the extent such amounts were actually received by Agent. Although the foregoing provisions of this Agreement are self-operative, Tenant agrees to execute and deliver to Lender or any Successor Owner such further instruments as Lender or a Successor Owner may from time to time reasonably request in order to confirm this Agreement. If any liability of Successor Owner does arise pursuant to this Agreement, such liability shall be limited to Successor Owner's interest in the Property.

4. Prior Assignment; Rent Payments; Notice to Tenant Regarding Rent Payments. Tenant hereby consents to that certain Assignment of Leases and Rents from Landlord to Agent executed in connection with the Loan. Tenant acknowledges that the interest of the Landlord under the Lease is to be assigned to Agent solely as security for the purposes specified in said assignment, and Agent shall have

no duty, liability or obligation whatsoever under the Lease or any extension or renewal thereof, either by virtue of said assignments or by any subsequent receipt or collection of rents thereunder, unless Agent shall specifically undertake such liability in writing. Tenant agrees not to pay rent (other than the first month's rent) more than one (1) month in advance unless otherwise specified in the Lease. After notice is given to Tenant by Agent that Landlord is in default under the Security Instrument and that the rentals under the Lease are to be paid to Agent directly pursuant to the assignment of leases and rents granted by Landlord to Agent in connection therewith, Tenant shall thereafter pay to Agent all rent and all other amounts due or to become due to Landlord under the Lease. Landlord hereby expressly authorizes Tenant to make such payments to Agent upon reliance on Agent's written notice (without any inquiry into the factual basis for such notice or any prior notice to or consent from Landlord), agrees that all amounts so paid to Agent shall be credited against rent otherwise due under the Lease and hereby releases Tenant from all liability to Landlord in connection with Tenant's compliance with Agent's written instructions.

5. Agent Opportunity to Cure Landlord Defaults. Tenant agrees that, until the Security Instrument is released by Agent, it will not exercise any remedies under the Lease following a Landlord default without having first given to Agent (a) written notice of the alleged Landlord default and (b) the opportunity to cure such default within (i) a period of 5 business days following such notice in the instance of a default which may be cured by the payment of money or (ii) a period of 30 days after receipt of such notice in the instance of a default other than one listed in the preceding clause (i), if such default cannot reasonably be cured within such 30-day period and Agent has diligently commenced to cure such default promptly within the time contemplated by this Agreement, such 30-day period shall be extended for so long as it shall require Agent, in the exercise of due diligence, to cure such default, but, unless the parties otherwise agree, in no event shall the entire cure period be more than 120 days. Tenant acknowledges that Agent is not obligated to cure any Landlord default, but if Agent elects to do so, Tenant agrees to accept cure by Agent as that of Landlord under the Lease and will not exercise any right or remedy under the Lease for a Landlord default. Performance rendered by Agent on Landlord's behalf is without prejudice to Agent's rights against Landlord under the Security Instrument or any other documents executed by Landlord in favor of Agent in connection with the Loan.

6. Right to Purchase. Tenant covenants and acknowledges that it has no right or option of any nature whatsoever, whether pursuant to the Lease or otherwise, to purchase the Property or the real property of which the Property is a part, or any portion thereof or any interest therein and to the extent that Tenant has had, or hereafter acquires any such right or option, the same is hereby acknowledged to be subject and subordinate to the Security Instrument and is hereby waived and released as against Agent.

7. Miscellaneous.

(a) Notices. All notices and other communications under this Agreement are to be in writing pursuant and addressed as set forth below such party's signature hereto. Default or demand notices shall be deemed to have been duly given upon the earlier of: (i) actual receipt; (ii) one (1) business day after having been timely deposited for overnight delivery, fee prepaid, with a reputable overnight courier service, having a reliable tracking system; (iii) three (3) business days after having been deposited in any post office or mail depository regularly maintained by the U.S. Postal Service and sent by certified mail, postage prepaid, return receipt requested; and (iv) on the day transmitted if delivered by e-mail (provided that a copy has been delivered to the receiving party no later than one (1) Business Day after such email by hand or by recognized express courier service); and in the case of clause (ii) and (iii) irrespective of whether delivery is accepted. A new address for notice may be established by written notice to the other parties; provided, however, that no address change will be effective until written notice thereof actually is received by the party to whom such address change is sent.

(b) Entire Agreement; Modification. This Agreement is the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes and replaces all prior discussions, representations, communications and agreements (oral or written). This Agreement shall not be modified, supplemented, or terminated, nor any provision hereof waived, except by a written instrument signed by the party against whom enforcement thereof is sought, and then only to the extent expressly set forth in such writing.

(c) Binding Effect; Joint and Several Obligations. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective heirs, executors, legal representatives, successors, and assigns, whether by voluntary action of the parties or by operation of law. No party may delegate or transfer its obligations under this Agreement.

(d) Unenforceable Provisions. Any provision of this Agreement which is determined by a court of competent jurisdiction or government body to be invalid, unenforceable or illegal shall be ineffective only to the extent of such determination and shall not affect the validity, enforceability or legality of any other provision, nor shall such determination apply in any circumstance or to any party not controlled by such determination.

(e) Duplicate Originals; Counterparts. This Agreement may be executed in any number of duplicate originals, and each duplicate original shall be deemed to be an original. This Agreement (and each duplicate original) also may be executed in any number of counterparts, each of which shall be deemed an original and all of which together constitute a fully executed Agreement even though all signatures do not appear on the same document.

(f) Construction of Certain Terms. Defined terms used in this Agreement may be used interchangeably in singular or plural form, and pronouns shall be construed to cover all genders. Article and section headings are for convenience only and shall not be used in interpretation of this Agreement. 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, paragraph or other subdivision; and the word "section" refers to the entire section and not to any particular subsection, paragraph of other subdivision; and "Agreement" and each of the Loan Documents referred to herein mean the agreement as originally executed and as hereafter modified, supplemented, extended, consolidated, or restated from time to time.

(g) Governing Law. This Agreement shall be interpreted and enforced according to the laws of the State where the Property is located (without giving effect to its rules governing conflict of laws).

(h) Consent to Jurisdiction. Each party hereto irrevocably consents and submits to the exclusive jurisdiction and venue of any state or federal court sitting in the county and state where the Property is located with respect to any legal action arising with respect to this Agreement and waives all objections which it may have to such jurisdiction and venue.

(i) Third Party Beneficiary. Each party hereto agrees that Agent is an intended third party beneficiary of this Agreement.

(j) WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH PARTY HERETO WAIVES AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS AGREEMENT.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF, this Agreement is executed as of the date first written above.

TENANT:

ASCENDIS PHARMA, INC.

By: ________________________________
Name: ____________________________
Title: _____________________________

Tenant Notice Address:

Ascendis Pharma, Inc.
500 Emerson Street
Palo Alto, California 94301
Attn: [**]
E-mail: [**]

[Signatures continue on next page.]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF SANTA CLARA)

On_______________, 2020, before me,_______________________________________, Notary Public, personally appeared_______________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

____
Signature (Seal)

[Signatures continue on next page.]

LANDLORD:

1050 PAGE MILL ROAD PROPERTY, LLC,
a Delaware limited liability company

By:______________________________________
Name:
Title:

Landlord Notice Address:

1050 Page Mill Road Property, LLC
c/o Sand Hill Property Company
965 Page Mill Road
Palo Alto, California 94304
Attn: [**]
E-mail: [**]
Phone: + [**]
Facsimile No.: [**]

With a copy to:

Gibson, Dunn & Crutcher LLP
200 Park Ave
New York, New York 10166
Attention: [**]
E-mail: [**]
Phone: + [**]

[Signatures continue on next page.]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF SANTA CLARA)

On_______________, 2020, before me,_______________________________________,
Notary Public, personally appeared_______________________________________,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

____
Signature (Seal)

[Signatures continue on next page.]

LENDER:

[**]
a private limited liability company organized under the laws of Curaçao

By:____
Name:
Title:

Notice Address:

[**]
1430 K Street NW, Suite 400
Washington, DC 20005
Attention: [**]
Email: [**]
Phone: [**]
Fax: [**]

With a copy to:

[**]
FAB Building Khalifa Business Park
1 - Al Qurm District
Loan Agency, Global Corporate Finance, 4th Floor
P.O. Box 6316 Abu Dhabi, United Arab Emirates

Attention: [**]
Email: [**]
[**]
[**]

With a copy to:

Clifford Chance US LLP
31 West 52nd Street
New York, New York 10019
Attention: [**]
E-mail: [**]
Phone: [**]

[Signatures continue on next page.]

[APPROPRIATE NOTARY FORM TO BE ATTACHED BASED ON EXECUTION LOCALE]

Building 1

Exhibit A

Legal Description of the Property
THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF PALO ALTO, IN THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Parcel One:

Beginning at a concrete highway monument set on the Southwesterly line of El Camino Real (State Highway) opposite Engineers Station 144 + 27.00 as surveyed by the California Division of Highways as said Southwesterly line was established by that Decree in Condemnation, a certified copy of which Decree was filed for record in the Office of the Recorder of the County of Santa Clara, State of California on July 7, 1930 in Book 520 of Official records at Page 571, said monument also marks the point of intersection of said Southwesterly line with the Southeasterly line of that certain 1289 acre tract of land described in the Deed from Evelyn C. Crosby, et al. to Leland Stanford, dated September 8, 1885, recorded September 8, 1885 in Book 80 of Deeds, Page 382, Santa Clara County Records, running thence North 56° 39' West along said Southwesterly line of El Camino Real for a distance of 2784.83 feet; thence leaving said line of El Camino Real, South 33° 21' West 1585.78 feet; thence North 56° 39' West 364.11 feet to the True Point of Beginning of this description: thence from said true point of beginning South 33° 24' 55" West 589.71 feet to the Southwesterly line of that certain 5.479 acre tract of land described in the Memorandum of Lease executed by and between the Board of Trustees of the Leland Stanford Junior University, Lessor, and Beckman Instruments, Inc., Lessee dated December 28, 1955, recorded January 11, 1956 in Book 3384 of Official Records, Page 14, Santa Clara County Records; thence South 56° 38' East along said Southwesterly line, 364.78 feet to the Southern most corner thereof; thence South 56° 26' 07" East 305.53 feet; thence South 33° 56' 20" West 148.13 feet; thence South 56° 23' 40" East 259.62 feet to a point on a line which is parallel with and distant Northwesterly 90.00 feet at right angles from the center line of Page Mill Road (60.00 feet in width), thence North 33° 28' 37" East along said parallel line, 740.15 feet to a point which bears South 56° 39' East from the true point of beginning; thence North 56° 39' West 930.24 feet to the true point of beginning.

Parcel Two:

An easement for the purpose of ingress and egress over a strip of land, 60.00 in width, the Northwesterly line of which is more particularly described as follows:

Beginning at the Southernmost corner of the 12.063 acre tract described in the Memorandum of Agreement Adding Additional Lands to Lease executed by and between the Board of Trustees of the Leland Stanford Junior University, Lessor and Beckman Instruments Inc., Lessee dated May 15, 1957, recorded July 1, 1957 in Book 3834 Page 181, Santa Clara County Records; thence from said point of beginning North 33° 28' 37" East along the Southeasterly line of said 12.063 acre tract, 740.15 feet to the Easternmost corner thereof and the terminus of said easement. Said easement of ingress and egress shall cease and terminate forthwith upon notice from Lessor to Lessee that the State of California or other Governmental body (i) has acquired the fee title to the property subject to said easement, (ii) has acquired an interest in said property inconsistent with the use and enjoyment by Lessee of said easement, or (iii) has acquired the right of possession of said property or said easement.

APN: 142-20-091

EXHIBIT E

FORM OF ESTOPPEL CERTIFICATE

________________, 20___

____
____
____
____

Re ____________________
____________, California

Ladies and Gentlemen:

Reference is made to that certain Lease, dated as of ____________, 20___, between 1050 Page Mill Road Property, LLC, a Delaware limited liability company ("**Landlord**"), and the undersigned (herein referred to as the "**Lease**"). A copy of the Lease [and all amendment thereto] is[are] attached hereto as **Exhibit A**. At the request of Landlord in connection with [__________ State reasons for request for estoppel certificate __________], the undersigned hereby certifies to Landlord and to [state names of other parties requiring certification (*e.g.*, lender, purchaser, investor)] ("**Lender**"/"**Purchaser**"/"**Investor**") and each of your respective successors and assigns as follows:

1. The undersigned is the tenant under the Lease.

2. The Lease is in full force and effect and has not been amended, modified, supplemented or superseded except as indicated in Exhibit A.

3. There is no defense, offset, claim or counterclaim by or in favor of the undersigned against Landlord under the Lease or against the obligations of the undersigned under the Lease. The undersigned has no renewal, extension or expansion option, no right of first offer or right of first refusal and no other similar right to renew or extend the term of the Lease or expand the property demised thereunder except as may be expressly set forth in the Lease.

4. All improvements to be constructed in the Leased Premises by Landlord, if any, have been completed and accepted by Tenant, and any tenant construction or other allowances have been paid in full. **[DRAFTING NOTE: If any Landlord work is not completed or any allowances are not fully funded as of the date the estoppel is sent to Tenant, revise accordingly.]**

5. The undersigned is not aware of any default now existing by Landlord under the Lease, nor of any event which with notice or the passage of time or both would constitute a default of Landlord under the Lease.

6. The undersigned has not received notice of a prior transfer, assignment, hypothecation or pledge by Landlord of any of Landlord's interest in the Lease.

Building 1

7. The monthly rent due under the Lease is $___________ and has been paid through _______________, and all additional rent due and payable under the Lease has been paid through _______________.

8. The term of the Lease commenced on _______________, and expires on _______________, unless sooner terminated pursuant to the provisions of the Lease. Landlord has performed all work required by the Lease for the undersigned's initial occupancy of the demised property.

9. The undersigned has deposited the sum of $___________ with Landlord as security for the performance of its obligations as tenant under the Lease, and no portion of such deposit has been applied by Landlord to any obligation under the Lease.

10. There is no free rent period pending, nor is Tenant entitled to any Landlord's contribution.

The above certifications are made to Landlord and [Lender/ Purchaser/ Investor] knowing that Landlord and [Lender/ Purchaser/ Investor] will rely thereon in [making a loan secured in part by an assignment of the Lease/ accepting an assignment of the Lease/ investing in Landlord/other].

Very truly yours,

____
By:
Name:
Title:

EXHIBIT B

SUBLEASED PREMISES

[**]

EXHIBIT C

FF&E

Item	Brand	Quanity
Hoteling Workstations	Knoll	12
Full Workstation	Knoll	60
Task Chair	Humanscale Liberty	78
Dual Monitor Arms	Humanscale m2.1	66
Single Arm	Humanscale M2.1	12
Wood Divider	Status	4
Office Desk & Credenza	Knoll	6
Chair	Allermuir Kin	7
Table	Allermuir FortySeven	1
Glassboard		6
High back Sofa		1
Coffee Table	BlueDot	1
Side Chair		2
Rug	Muuto	1
Side Chair	Memo Pena	4
Coffee Table	Memo Penna	1
Conference table	Bernhardt Blueprint Loop	2
Conference chairs	Andreu World Nuez	20
Cofference room Credenza	Bernhardt Matera	1
Huddle Room Table	Watson Tonic	7
Huddle Room Chairs	Source Jump	21
Conference room table	Watson Tonic	1
conference room chairs	Global Prefer	7
Mothers room chair & Ottaman	Kellhauer Elaby	1
Computer side table	Hightower Wishbone	2
Huddle room Chairs	Nuans Monk	3
End table	Nuans Monk	1
Foot stool	Knoll Rockwell	2
Sofa	Muuto Insitu	1
Coffee Table	Hem Alle	1
Chairs	Nuans Monk	2
End Table	Nuans Pier	1
Rug	Endless Knot Rug	1
Coffee Table	Davis PLC	1
Lounge Chairs	Davis PLC	3
Rug	Chilewich	1
Conference Table	Watson Tonic	1
Conference chairs	Global Prefer	6
Tall Conference Table	Allemuir Silta	1
Stools	Blue Dot Chip	8
Table	ILW Custon Table	2
Chairs	Muuto Cover	4
Stools	Knoll Easy Stool	5
Stools with back	Muuto Loft	5
Conference table	Watson Tonic	2
Conference chairs	Global Prefer	14
Table	Davis Span	2
Stool with back	Stylex Verve	16
Sofa	Muuto Connect	1
Computer side table	Muuto Relate	1
Coffee Table	Coral 10 Degree	1
Foot Stool	Bluedot	1

Item	Brand
Patio Lounge Chair	Fermob Bellevie
Patio Coffee table	Fermob Cocotte
Patio Chair	Luxembourg
Patio Table	Luxembourg
Waste Receptical	Magnuson
Patio Sofa	Fernmob Bellevie
Patio Table	Fernmob Bellevie
Hoteling Workstations	Knoll
Full Workstation	Knoll
Task Chair	Humanscale Liberty
Dual Monitor Arms	Humanscale m2.1
Single Arm	Humanscale M2.1
Wood Divider	Status
Office Desk & Credenza	Knoll
Chair	Allermuir Kin
Glassboard	
Office Table	ILW Custom
Dual Phone Booth	Framery Q
Bench	Bernhardt Luca
Huddle Room Table	Watson Tonic
Huddle Room Chairs	Source Jump
Conference Room Table	Watson Tonic
Conference Room Chairs	Global Prefer
Cofference Room Credenza	Watson Zo
Privacy Chairs	Muuto Outline
Coffee Table	Muuto Workshop
Conference Room Credenza	ILW Custom
Lounge Chair	Muuto Fiber
Coffee Table	Muuto Around
Café Tables	ILW Custom
Café Chairs	Blu Dot Clutch
Café Stools	Knoll Easty Stool
Mothers room chair & Ottaman	Blu Dot Lounge Chair
Computer Side Table	Blue Dot
Benches	Muuto Oslo
High back Sofa	Poppin
Lounge Chair	Blu Dot Clutch
Phonebooth	Zenbooth
Coffee Table	Muuto Airy
High Top Collab Table	Ellermuir Silta
Stools	Blu Dot Chip
Couch	Muuto Connect Sectional
Large Conference Room Table	Watson Tonic
Large Conference Room Chairs	Andreu World Nuez
Large Conference Room Credenza	Watson Zo
Monitor	Dell
Display TV	Samsung
TV	Samsung
Camera	
Speakers	
Crestron	
Schedulers	

Exhibit D

FORM OF BILL OF SALE

This BILL OF SALE ("**Bill of Sale**"), is dated as of _______________, 2025 (the "**Effective Date**"), from ASCENDIS PHARMA, INC., a Delaware corporation ("**Assignor**"), and SUMMIT THERAPEUTICS SUB, INC. a Delaware corporation **("Assignee")**.

WHEREAS, Assignor and Assignee are parties to that certain Sub-Sublease Agreement dated as of [__________], 2025 (the "**Agreement**"), pursuant to which Assignor has agreed to sell, assign, transfer and convey to Assignee the FF&E defined therein and described on Schedule A attached hereto. All initial capitalized terms used, but not defined, in this Bill of Sale shall have the meaning set forth in the Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

1. Assignor hereby sells, assigns, transfers and conveys to Assignee all of its right, title and interest in and to all of the FF&E, and Assignee hereby purchases and accepts all of Assignor's right, title and interest in and to all of the FF&E, as of the Effective Date, on the terms set forth in this Bill of Sale.

2. EXCEPT AS SPECIFICALLY SET FORTH IN THE AGREEMENT, THE FF&E IS HEREBY SOLD, ASSIGNED, TRANSFERRED AND CONVEYED TO PURCHASER ON AN "AS IS", "WHERE IS", "WITH ALL FAULTS" BASIS, WITHOUT ANY REPRESENTATION, WARRANTY, GUARANTY, PROMISE, PROJECTION OR PREDICTION WHATSOEVER WITH RESPECT TO SUCH FF&E, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

3. Each of Assignor and Assignee may deliver executed signature pages to this Bill of Sale by facsimile or email transmission (which may include images of manually executed signatures (including, without limitation, "pdf", "tif" or "jpg") and other electronic signatures (including DocuSign and AdobeSign)) to the other party hereto, which facsimile or email copy shall be deemed to be an original executed signature page. This Bill of Sale may be executed in any number of counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute one agreement with the same effect as if the parties hereto had signed the same signature page.

[Remainder of page intentionally left blank;
Signatures on following pages]

IN WITNESS WHEREOF, Assignor and Assignee have caused this Bill of Sale to be executed and delivered in their names by their respective duly authorized officers or representatives as of the Effective Date.

ASSIGNOR:

ASCENDIS PHARMA, INC.,
a Delaware corporation

By: ______________________________
Name: ______________________________
Title: ______________________________

SUMMIT THERAPEUTICS SUB, INC.
a Delaware corporation

By: ______________________________
Name: ______________________________
Title: ______________________________

SCHEDULE A

FF&E

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Robert W. Duggan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 of Summit Therapeutics Inc. (the "Registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant’s other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: August 11, 2025

By:		/s/ Robert W. Duggan
	Name:	Robert W. Duggan
	Title:	Co-Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Dr. Mahkam Zanganeh, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 of Summit Therapeutics Inc.(the "Registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant’s other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):
   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: August 11, 2025

By:	/s/ Mahkam Zanganeh
Name:	Dr. Mahkam Zanganeh
Title:	Co-Chief Executive Officer, President and Director (Principal Executive Officer)

EXHIBIT 31.3

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Manmeet Soni, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 of Summit Therapeutics Inc. (the "Registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant’s other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: August 11, 2025

By:		/s/ Manmeet S. Soni
	Name:	Manmeet S. Soni
	Title:	Chief Operating Officer, Chief Financial Officer and Director (Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICERS AND PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Summit Therapeutics Inc. (the “Company”) for the quarter ended June 30, 2025, as filed with the U.S. Securities and Exchange Commission on the date hereof (the “Report”), each of the undersigned officers does hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 11, 2025

By: /s/ Robert W. Duggan
Name: Robert W. Duggan
Title: Co-Chief Executive Officer and Chairman of the Board of Directors
(Principal Executive Officer)

Date: August 11, 2025

By: /s/ Mahkam Zanganeh
Name: Dr. Mahkam Zanganeh
Title: Co-Chief Executive Officer, President and Director
(Principal Executive Officer)

Date: August 11, 2025

By: /s/ Manmeet S. Soni
Name: Manmeet S. Soni
Title: Chief Operating Officer, Chief Financial Officer and Director
(Principal Financial Officer)