

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

**FORM 10-K**

- (Mark One)
- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 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 001-37566

**SYNOLOGIC, INC.**

(Exact name of Registrant as specified in its Charter)

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

**PO Box 30**  
**Winchester, MA**  
(Address of principal executive offices)

**26-1824804**  
(I.R.S. Employer  
Identification No.)

**01890**  
(Zip Code)

(617) 659-2802

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of exchange on which registered
N/A	N/A	N/A

Securities registered pursuant to Section 12(g) of The Act:

Common Stock, par value \$0.001 per share

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES  NO

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. YES  NO

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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

The aggregate market value of common stock held by non-affiliates of the registrant as of June 30, 2025, the last business day of the registrant's most recently completed second quarter, was \$4.4 million, computed based on the closing price of \$1.27 per share on The Nasdaq Capital Market on June 30, 2025.

As of March 5, 2026 there were 11,698,919 shares of the registrant's common stock, par value \$0.001 per share, outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**

The following documents (or parts thereof) are incorporated by reference into the following parts of this Form 10-K: Certain information required in Part III of this Annual Report on Form 10-K is incorporated from the registrant's definitive proxy statement for the 2026 annual meeting of stockholders to be filed pursuant to Regulation 14A with the U.S. Securities and Exchange Commission within 120 days of the registrant's fiscal year ended December 31, 2025.

Auditor Firm Id:	185	Auditor Name:	KPMG LLP	Auditor Location:	Boston, Massachusetts, U.S.
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## FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements that involve risks and uncertainties. We make such forward-looking statements pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. All statements other than statements of historical facts contained herein are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” “continue” or the negative of these terms or other comparable terminology. These forward-looking statements include, but are not limited to, statements about:

- our evaluation of strategic alternatives with a goal to enhance stockholder value, including the possibility of a merger or a sale of the Company;
- the price for shares of our common stock given that they are currently quoted on the OTC Marketplace and may experience limited trading;
- the terms and timing of any additional collaborative, licensing or other arrangements that we may establish;
- the acquisition of businesses, products and technologies;
- our need to implement additional infrastructure and internal systems;
- other risks and uncertainties, including those listed under Part I, Item 1A. “Risk Factors.”

Any forward-looking statements in this Annual Report on Form 10-K reflect our current views with respect to future events or to our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under Part I, Item 1A. “Risk Factors” and elsewhere in this Annual Report on Form 10-K. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

This Annual Report on Form 10-K also contains estimates, projections and other information concerning our industry, our business, and the markets for certain diseases, including data regarding the incidence and prevalence of certain medical conditions. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances reflected in this information. Unless otherwise expressly stated, we obtained this industry, business, market and other data from reports, research surveys, studies and similar data prepared by market research firms and other third parties, industry, medical and general publications, government data and similar sources.

## PART I

### Item 1. Business.

#### Overview

We are a biopharmaceutical company that previously advanced novel therapeutics to transform the care of serious diseases. We focused on rare metabolic disorders, with our lead program, labafenogene marselecobac (SYNB1934), studied in Synpheny-3, a global, pivotal Phase 3 study for patients with phenylketonuria (PKU), and SYNB1353, a potential treatment for homocystinuria (HCU). Both PKU and HCU are caused by inborn errors of metabolism, and present significant need for innovation due to limitations of both efficacy and safety in the currently available medical treatment options. In February 2024, we made the decision to discontinue Synpheny-3, our pivotal study of our lead product candidate, labafenogene marselecobac (SYNB1934), as a potential treatment for PKU. The decision to end Synpheny-3 is based on results of an internal review in advance of an upcoming independent Data Monitoring Committee (DMC) assessment, which indicated the trial was unlikely to meet its primary endpoint. The decision was not based on concerns regarding safety or tolerability. As a result, our current corporate strategy is focused on pursuing strategic initiatives to enhance stockholder value, including but not limited to, a merger or the sale of the Company. Our strategic process is both active and ongoing and includes a range of interactions with transaction counterparties. Thus, we believe it is in our stockholders' best interest to allow sufficient opportunity to pursue and consummate one or more such transactions and to consider additional alternatives that may materialize in the future. However, there can be no assurance that such activities will result in any agreements or transactions that will enhance shareholder value. Further, any strategic transaction that is completed ultimately may not deliver the anticipated benefits or enhance shareholder value.

#### Nasdaq Delisting

On November 21, 2025, we received a letter (the "Notice") from the Listing Qualifications Department (the "Staff") of The Nasdaq Stock Market LLC ("Nasdaq") that stated the Staff's belief that we were a "public shell" and that, therefore, the continued listing of its securities was no longer warranted in the view of the Staff. In the Notice, the Staff explained that it based this belief on its review of our public disclosures and materials submitted to the Staff by us. In addition, the Staff noted its belief was supported by our lack of revenue generating assets and the substantial reduction in employees and operations since February 2024. The Staff also considered our quarterly reports on Forms 10-Q filed on May 8, 2025, August 7, 2025, and November 13, 2025, respectively, which indicated that we had not generated any revenue for the nine months ended 2025, that we had no ongoing research and development activities or active clinical trial and that we had research and development expenses of only \$16,000. The Notice further advised that, unless we timely request a hearing before a Hearings Panel (the "Panel"), we would be subject to suspension/delisting.

On November 28, 2025, we timely requested a hearing before the Panel, which temporarily stayed the suspension of trading and delisting of our common stock from Nasdaq. The hearing was scheduled for January 20, 2026. After additional consideration, we determined that it was no longer in our best interest to pursue continued listing of our common stock on The Nasdaq Capital Market and withdrew our request for a hearing on January 16, 2026. As a result, on January 16, 2026, we received notice from Nasdaq that our shares would be suspended at the open of business on January 21, 2026.

Following the suspension of trading of our shares of common stock on Nasdaq and delisting of our shares of common stock from Nasdaq, we believe that we are a "public shell" under the Nasdaq rules. Our shares of common stock have been quoted on the OTC Markets Group, Inc. ("OTC") since January 21, 2026. As a shell company, our operating expenses have consisted primarily of, and we expect them to continue to consist primarily of, customary public company expenses, including personnel, accounting, financial reporting, legal, audit and other related public company costs.

#### Intellectual Property and Technology Licenses

We strive to protect and enhance the proprietary technology, inventions, and improvements that are commercially important to our business, including seeking, maintaining, and defending patent rights, whether developed internally or licensed from our collaborators or other third parties. Our policy is to seek to protect our proprietary position by, among other methods, filing patent applications in the United States and in certain jurisdictions outside of the United States related to our proprietary technology, inventions, improvements, and product candidates that are important to the development and implementation of our business.

We also rely on trade secrets and know-how relating to our proprietary technology and product candidates, continuing innovation, and in-licensing opportunities to develop, strengthen, and maintain our proprietary position in the field of synthetic biology. We additionally rely on data exclusivity, market exclusivity, and patent term extensions when available, and plan to rely on additional regulatory protection afforded through orphan drug designations when applicable. Our commercial success may depend in part on our ability to obtain and maintain patent and other proprietary protection for our technology, inventions, and improvements; to preserve the confidentiality of our trade secrets; to maintain our licenses to use intellectual property owned by third parties; to defend

and enforce our proprietary rights, including our patents; and to operate without infringing on the valid and enforceable patents and other proprietary rights of third parties.

We believe we are well positioned in terms of intellectual property because we:

- Have built and expanded, and intend to continue expansion in, a broad worldwide portfolio of intellectual property, including patents and patent applications, in areas relevant to the development, manufacturing and formulation of human therapeutic products using live biotherapeutics based on synthetic biology; and
- Intend to take additional steps, where appropriate, to further protect our intellectual property rights, including, for example, through the use of copyright and trademark protection, as well as regulatory protection available via orphan drug designations, data exclusivity, market exclusivity and patent term extensions.

We believe our intellectual property portfolio provides broad coverage of our Synthetic Biotic platform and applicable disease-related technologies. As of March 5, 2026, we had over 114 Synlogic-owned patents and patent applications in U.S. and foreign jurisdictions, of which over 63 have been issued or allowed.

### ***Synlogic Intellectual Property***

#### ***Disease-related applications***

The disease-related applications in our intellectual property portfolio relate to certain pathological conditions including, but not limited to, hyperphenylalaninemia, hyperoxaluria, homocystinuria, hyperuricemia, hyperammonemia, certain other inherited metabolic diseases and conditions, metabolic disorders, diseases and conditions associated with an inflammatory state, diseases associated with gut inflammation, compromised gut mucosal barrier (leaky gut), and various autoimmune disorders and provide coverage for engineered bacteria having genetic circuitry designed to specifically address those conditions and the associated disease states. The intellectual property portfolio provides coverage for engineered bacterial strain compositions, related formulations, methods of making the bacterial strains, methods of measuring strain activity, and methods for treating diseases. Currently, intellectual property relating to this technology includes pending applications in U.S. and foreign jurisdictions, as well as several issued U.S. patents directed to composition of matter and pharmaceutical composition claims covering our clinical candidates. The patent term for our current patents and patent applications have expiration dates ranging from December 2035 to December 2043, depending on the indication and excluding any patent term adjustments or extensions.

#### ***Platform Technology Applications***

In addition to disease-specific technology, Synlogic has also developed a number of technologies broadly applicable across the Synlogic platform. We rely on a combination of patent application and trade secrets to protect our platform intellectual property. Exemplary platform technologies include our unique upstream and downstream GMP manufacturing processes, bacterial chassis-related and genetic circuitry-related technological developments, including, for example, improvements in inducible gene regulation, control of bacterial cell growth, and systems for importing metabolites, as well as systems for prevention of production of potentially genotoxic metabolites. These platform technologies, and our intellectual property coverage thereof, are broadly applicable to our therapeutic Synthetic Biotics.

#### ***General Considerations***

Individual patents extend for varying periods of time, depending upon the date of filing of the patent application, the date of patent issuance, and the legal term of patents in the countries in which they are obtained. Generally, patents issued for applications filed in the United States are effective for 20 years from the earliest effective non-provisional filing date. In addition, in certain instances, a patent term can be extended to account for delays in prosecution at the U.S. Patent and Trademark Office (USPTO) and/or to recapture a portion of the term effectively lost as a result of the FDA regulatory review period. For regulatory delays, the restoration period cannot be longer than five years and the total patent term, including the restoration period, must not exceed 14 years following FDA approval. The duration of patents outside of the United States varies in accordance with provisions of applicable local law, but typically is also 20 years from the earliest effective non-provisional filing date. However, the actual protection afforded by a patent varies on a product-by-product basis, from country-to-country, and depends upon many factors, including the type of patent, the scope of its coverage, the availability of regulatory-related extensions, the availability of legal remedies in a particular country, and the validity and enforceability of the patent.

The patent positions of companies like us are generally uncertain and involve complex legal and factual questions. No consistent policy regarding the scope of claims allowable in patents in the field of synthetic biology has emerged in the United States. The patent situation outside of the United States is even more uncertain. With respect to both licensed and company-owned intellectual property,

we cannot be sure that patents will be granted with respect to any of our pending patent applications or with respect to any patent applications filed by us in the future, nor can we be sure that any of our existing patents or any patents that may be granted to us the future will be commercially useful in protecting our products and the methods used to manufacture those products. For additional risks, please see the section entitled “Risk Factors—Risks Related to Intellectual Property.”

### **Trademarks**

Our registered trademark portfolio currently contains over 40 registered or allowed trademarks.

### **Other**

Generally, we seek to protect our technology and product candidates, in part, by entering into confidentiality agreements with those who have access to our confidential information, including employees, contractors, consultants, collaborators, and advisors. In some circumstances, we may rely on trade secrets to protect our technology. We seek to preserve the integrity and confidentiality of our proprietary technology, trade secrets and processes by maintaining physical security of our premises and physical and electronic security of our information technology systems. Although we have confidence in these individuals, organizations, and systems, agreements or security measures may be breached and we may not have adequate remedies for any breach. In addition, our trade secrets may otherwise become known or may be independently discovered by competitors. To the extent that company employees, contractors, consultants, collaborators, and advisors use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. For this and more comprehensive risks related to our proprietary technology, inventions, improvements and products, please see the section entitled “Risk Factors—Risks Related to Intellectual Property.”

### **Human Capital**

As of March 5, 2026, we had one full-time employee, primarily engaged in the assessment of strategic transactions, as directed by the Company's board of directors.

### **Information About Our Executive Officers and Directors**

The following persons were our executive officers and directors as of March 5, 2026:

<b>Name</b>	<b>Position</b>
<b>Executive Officers</b>	
Mary Beth Dooley	Principal Executive Officer and Principal Financial Officer
<b>Directors</b>	
Peter Barrett, Ph.D.	Chairman of the Board of Directors, Partner at Atlas Venture
James Flynn	Managing Member and Portfolio Manager of Nerium Capital LLC
Edward Mathers	General Partner at New Enterprise Associates
Richard P. Shea	Consulting CFO, Danforth Advisors

### **Corporate Information and History**

We were originally incorporated in the State of Delaware in December 2007 under the name “Mirna Therapeutics, Inc.” We carry on our business directly and through our subsidiaries.

Our subsidiary, Synlogic Operating Company, Inc. was incorporated in Delaware as TMC Therapeutics, Inc. on March 14, 2014. On July 15, 2014, TMC Therapeutics, Inc. changed its name to Synlogic, Inc. ("Private Synlogic," when referred to prior to the Merger (as defined below)). On July 2, 2015, the common and preferred shareholders of Private Synlogic executed the Synlogic, LLC Contribution Agreement, pursuant to which such common and preferred shareholders contributed such shareholders' equity interests in Private Synlogic in exchange for common and preferred units in a newly formed parent company named Synlogic, LLC (the "2015 Reorganization"). In addition, IBDCo was formed as a subsidiary of Synlogic, LLC, as part of the 2015 Reorganization, and we entered into a license, option and merger agreement with AbbVie for the development of treatments for IBD. On December 22, 2021, IBDCo was merged with and into Synlogic Operating Company, Inc. and IBDCo ceased to exist as a separate entity.

In May 2017, Private Synlogic completed a reorganization (the "2017 Reorganization") pursuant to which Synlogic, LLC merged with and into Private Synlogic, with Private Synlogic continuing as the surviving corporation. Pursuant to the 2017 Reorganization, the common units and preferred units of Synlogic, LLC, together consisting of Class A preferred units, contingently redeemable Class A preferred units and Class B preferred units, were exchanged for common stock and preferred stock of Private Synlogic, respectively. Additionally, Private Synlogic issued equity awards under the Synlogic 2017 Stock Incentive Plan (the "2017 Plan") to replace the canceled incentive units pursuant to the termination of the Synlogic, LLC 2015 Equity Incentive Plan (the "2015 LLC Plan").

On August 28, 2017, Synlogic, Inc., formerly known as Mirna Therapeutics, Inc. (NASDAQ: MIRN) ("Mirna"), completed its business combination with Private Synlogic pursuant to the Agreement and Plan of Merger and Reorganization, dated as of May 15, 2017, by and among Mirna, Meerkat Merger Sub, Inc. ("Merger Sub"), and Private Synlogic (the "Merger Agreement"), pursuant to which Merger Sub merged with and into Private Synlogic, with Private Synlogic surviving as a wholly owned subsidiary of Mirna (the "Merger"). On August 25, 2017, in connection with, and prior to the completion of the Merger, Mirna effected a reverse stock split of its common stock (the "Reverse Stock Split"), and on August 28, 2017, immediately after completion of the Merger, Mirna changed its name to "Synlogic, Inc." (NASDAQ: SYBX).

Under the terms of the Merger Agreement, Mirna issued shares of its common stock to Private Synlogic's stockholders, using an exchange ratio, after taking into account the Reverse Stock Split, for each share of Private Synlogic common stock and preferred stock outstanding immediately prior to the Merger (the "Exchange Ratio"). In addition, Mirna assumed all of the stock options outstanding under the 2017 Plan, with such stock options henceforth representing the right to purchase a number of shares of Mirna's common stock equal to the Exchange Ratio multiplied by the number of shares of Private Synlogic common stock previously represented by such options. Mirna also assumed the 2017 Plan.

Our Internet address is [www.synlogictx.com](http://www.synlogictx.com). Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports, are available to you free of charge through our website as soon as reasonably practicable after such materials have been electronically filed with, or furnished to, the U.S. Securities and Exchange Commission ("SEC").

## Item 1A. Risk Factors.

*Investing in our common stock involves a high degree of risk. Our business, prospects, financial condition or operating results could be materially adversely affected by the risks identified below, as well as other risks not currently known to us or that we currently consider immaterial. Furthermore, these factors represent risks and uncertainties that could cause actual results to differ materially from those implied by forward-looking statements. Accordingly, in evaluating our business, we encourage you to consider the following discussion of risk factors, in its entirety, in addition to other information contained in this Annual Report on Form 10-K and our other public filings with the SEC. The following risk factors may be amended, supplemented or superseded from time to time by other reports we file with the SEC in the future.*

In the following discussion of risk factors, references to “we,” “us,” “our” and similar terms refer to the combined business of Synlogic, Inc. after the Merger on August 28, 2017.

### Summary of Risk Factors

Our business is subject to numerous risks and uncertainties, including those highlighted in this section below, that represent challenges that we face in connection with the successful implementation of our strategy. The occurrence of one or more of the events or circumstances described in more detail in the risk factors below, alone or in combination with other events or circumstances, may have an adverse effect on our business, cash flows, financial condition and results of operations. Such risks include, but are not limited to:

- Our securities have been delisted from Nasdaq, which has limited and may continue to limit investors’ ability to make transactions in our securities.
- We are a non-operating shell company.
- An active trading market for our securities may never develop and investors may find it difficult to buy and sell our shares, which would further adversely affect the liquidity and price of our securities.
- Our business to date has been almost entirely dependent on the success of SYNBI934, and we have decided to discontinue further development of SYNBI934 and devote significant time and resources to identifying and evaluating strategic alternatives, which may not be successful.
- If we do not successfully consummate a strategic transaction, our board of directors may decide to pursue a dissolution and liquidation of our company. In such an event, the amount of cash available for distribution to our stockholders will depend heavily on the timing of such liquidation as well as the amount of cash that will need to be reserved for commitments and contingent liabilities.
- Our stock price is volatile, and our stockholders may not be able to resell shares of our common stock at or above the price they paid.
- Our short operating history may make it difficult for stockholders to evaluate the success of our business to date and to assess our future viability.
- Our internal computer systems, or those of our collaborators or other contractors or consultants, may fail or suffer security breaches, which could result in a material disruption of our product development programs.
- We may not have sufficient patent term protections for our product candidates to effectively protect our business.
- If we are unable to maintain effective proprietary rights for our product candidates or any future product candidates, we may not be able to compete effectively in our proposed markets.
- Third-party claims of intellectual property infringement may prevent or delay our development and commercialization efforts.
- We may be involved in lawsuits to protect or enforce our patents or the patents of our licensors, which could be expensive, time consuming, and unsuccessful.
- We may be subject to claims challenging the inventorship of our patents and other intellectual property.
- We may not be able to protect our intellectual property rights throughout the world.
- While preparing our condensed consolidated financial statements for the year ended December 31, 2024, we identified a material weakness in our internal control over financial reporting, due to an ineffective internal information and communication process related to significant and non-routine transactions, to ensure that relevant and reliable information

was communicated on a timely basis across the organization, to enable financial personnel to effectively carry out their financial reporting and internal control roles and responsibilities. If we are not able to remediate this material weakness, or if we experience additional material weaknesses or other deficiencies in our internal control over financial reporting in the future or otherwise fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately or timely report our financial results or prevent fraud, and we may conclude that our internal control over financial reporting is not effective, which may adversely affect our business.

- Our principal stockholders and management own a significant percentage of our stock and are able to exert significant control over matters subject to stockholder approval.
- Provisions of our charter documents or Delaware law could delay or prevent an acquisition of us, even if the acquisition would be beneficial to our stockholders and could make it more difficult for you to change management.

## **Risks Related to Our Securities**

***Our securities have been delisted from Nasdaq, which has limited and may continue to limit investors' ability to make transactions in our securities.***

As previously disclosed, the trading of the Company's securities on the Nasdaq was suspended at the open of trading on January 21, 2026. See *Item 1. Business—Nasdaq Delisting*. Nasdaq is expected to file a Form 25 Notification of Delisting with the Securities and Exchange Commission when all internal procedural periods have run. The delisting became effective on January 21, 2026. As of the date of this Annual Report, the Company's common stock is traded on the OTCID Basic Market, under the symbol "SYBX."

We face adverse consequences as a result of our securities not being listed on a national securities exchange, including (i) a limited availability of market quotations for our securities, (ii) reduced liquidity for our securities, (iii) a determination that our common stock is a "penny stock" which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities, (iv) a limited amount of news and analyst coverage, if any, in the future; (v) a decreased ability to issue additional securities or otherwise obtain additional financing in the future; and (vi) a decreased ability of our securityholders to sell their securities in certain states.

***We are a non-operating shell company.***

We are a public shell company with no operations and we are seeking to effect a merger, acquisition or other business combination with an operating company by using a combination of capital stock, cash on hand, or other funding sources, if available. There can be no assurances that we will be successful in identifying acquisition candidates or that, if identified, we will be able to consummate a transaction on terms acceptable to us. If we do not have sufficient liquid assets to satisfy our liabilities we will seek to raise additional capital through the issuance of equity or debt, including loans from related parties. Such additional capital may not be available timely or on terms acceptable to us, if at all.

***An active trading market for our securities may never develop and investors may find it difficult to buy and sell our shares, which would further adversely affect the liquidity and price of our securities.***

Although our common stock is quoted on the over-the-counter market, such market is an unorganized, interdealer market which provides significantly less liquidity than the Nasdaq or other national securities exchange. Securities traded on the over-the-counter market are usually thinly traded, highly volatile, have fewer market makers and are not followed by analysts. Any significant trading volume in our common stock may not be sustained. These factors may have an adverse impact on the trading and price of our common stock. See "*Our securities have been delisted from Nasdaq, which has limited and may continue to limit investors' ability to make transactions in our securities*" above for further discussion.

***Our securityholders may face restrictions on the resale of our securities due to state "blue sky" laws.***

Each state has its own securities laws, often called "blue sky" laws, which (i) limit sales of securities to a state's residents unless the securities are registered in that state or qualify for an exemption from registration, and (ii) govern the reporting requirements for broker-dealers doing business directly or indirectly in the state. Before a security is sold in a state, there must be a registration or qualification in place to cover the transaction, or the transaction must be exempt from registration or qualification. The applicable broker must be registered in that state. There may be state blue sky law restrictions on the ability of investors to sell, and on purchasers to buy, our common stock. As a result of our delisting from Nasdaq, our securities currently do not qualify as "covered securities" under Section 18(b)(1) of the Securities Act and are therefore subject to regulation in each state in which we offer our securities and may not qualify for offering and sale in certain states. Our common stock is quoted and traded on the OTCID Basic Market, which is not recognized as a securities manual in a majority of states. The "manual exemption" permits a security to be distributed in a particular state without being registered if the company issuing the security has a listing for that security in a securities manual recognized by that state. We do

not qualify for the “manual exemption” as our securities are not quoted and traded on a securities manual recognized in a majority of states.

***As a result of our delisting from Nasdaq, we are more likely to require holders of our warrants who exercise their warrants to do so on a cashless basis and such holders may receive fewer shares of common stock upon exercise than they would have received had they been able to pay the exercise price of their warrants in cash.***

As a result of our delisting from Nasdaq, our securities currently do not qualify as “covered securities” under Section 18(b)(1) of the Securities Act and are therefore subject to regulation in each state in which we offer our securities and may not qualify for offering and sale in certain states. Consequently, unless an exemption from qualification of our shares of common stock is then available in any relevant state, we are more likely to require holders of warrants who exercise their warrants to do so on a cashless basis in accordance with Section 3(a)(9) of the Securities Act. The number of shares we issue in a cashless exercise may be lower than if the warrants were exercised on a cash basis, which could adversely affect the value of our common stock, and the holders of the warrants may experience a lower rate of return than they would have in a cash exercise if the trading price of our shares of common stock increases.

***We may be further delisted from the OTC Markets and may face additional adverse consequences.***

Failure to comply with the continuing listing standards of the OTC Markets could result in further delisting, which would significantly affect the ability of investors to trade our securities and could further reduce their value and liquidity. Additional negative consequences may include the loss of federal preemption of state securities laws, greater difficulty in raising capital, the potential loss of institutional investor interest, and fewer business development opportunities. These risks collectively may impair our ability to operate effectively and achieve our strategic objectives.

### **Risks Related to Our Evaluation of Strategic Alternatives**

***Our business to date has been significantly dependent on the success of SYN1934, and we have decided to discontinue further development of SYN1934 and devote significant time and resources to identifying and evaluating strategic alternatives, which may not be successful.***

To date, we have invested significant efforts and financial resources in the research and development of SYN1934, which was our lead product candidate in clinical trials. In February 2024, we voluntarily halted Synpheny-3 based on results of an internal review in advance of an upcoming independent Data Monitoring Committee (DMC) assessment, which indicated the trial was unlikely to meet its primary endpoint. The decision was not based on concerns regarding safety or tolerability. Beginning in February 2024, we started to reduce operating expenses while we evaluate our strategic alternatives with a goal to enhance stockholder value, including the possibility of a merger or sale of the Company. There can be no assurance that our process to identify and evaluate potential strategic alternatives will result in any definitive offer to consummate a strategic transaction, or if made what the terms thereof will be or that any transaction will be approved or consummated. If any definitive offer to consummate a strategic transaction is received, there can be no assurance that a definitive agreement will be executed or that, if a definitive agreement is executed, the transaction will be consummated. In addition, there can be no assurance that any transaction, involving our company and/or assets, that is consummated would enhance shareholder value. There also can be no assurance that we will conduct further drug research or development activities in the future.

Any such strategic transaction may require us to incur non-recurring or other charges, may increase our near-and long-term expenditures and may pose significant integration challenges or disrupt our management or business, which could adversely affect our operations and financial results. For example, these transactions may entail numerous operational and financial risks, including:

- exposure to unknown liabilities;
- incurrence of substantial debt or dilutive issuances of equity securities to pay for acquisitions;
- higher-than-expected acquisition and integration costs;
- write-downs of assets or goodwill or impairment charges;
- increased amortization expenses;
- difficulty and cost in combining the operations and personnel of any acquired businesses with our operations and personnel;
- impairment of relationships with key suppliers or customers of any acquired businesses due to changes in management and ownership; and
- inability to retain key employees of our company or any acquired businesses.

***If we do not successfully consummate a strategic transaction, our board of directors may decide to pursue a dissolution and liquidation of our company. In such an event, the amount of cash available for distribution to our stockholders will depend heavily on the timing of such liquidation as well as the amount of cash that will need to be reserved for commitments and contingent liabilities.***

There can be no assurance that the process to identify a strategic transaction will result in a successfully consummated transaction. If no transaction is completed, our board of directors may decide to pursue a dissolution and liquidation of our company. In such an event, the amount of cash available for distribution to our stockholders will depend heavily on the timing of such decision and, ultimately, such liquidation, since the amount of cash available for distribution continues to decrease as we fund our operations while we evaluate our strategic alternatives. In addition, if our board of directors were to approve and recommend, and our stockholders were to approve, a dissolution and liquidation of our company, we would be required under Delaware corporate law to pay our outstanding obligations, as well as to make reasonable provision for contingent and unknown obligations, prior to making any distributions in liquidation to our stockholders. Our commitments and contingent liabilities may include (i) obligations under our employment and related agreements with certain employees that provide for severance and other payments following a termination of employment occurring for various reasons, including a change in control of our company; and (ii) potential litigation against us, and other various claims and legal actions arising in the ordinary course of business. As a result of this requirement, a portion of our assets may need to be reserved pending the resolution of such obligations. In addition, we may be subject to litigation or other claims related to a dissolution and liquidation of our company. If a dissolution and liquidation were pursued, our board of directors, in consultation with its advisors, would need to evaluate these matters and make a determination about a reasonable amount to reserve. Accordingly, holders of our common stock could lose all or a significant portion of their investment in the event of a liquidation, dissolution or winding up of our company.

### **Risks Related to Our Financial Condition, Capital Requirements and Operating Results**

***Our stock price is volatile, and our stockholders may not be able to resell shares of our common stock at or above the price they paid.***

The trading price of our common stock is highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control, such as reports by industry analysts, investor perceptions, general industry trends, macro-economic conditions, or negative announcements by other companies involving similar technologies or diseases. These factors also include those discussed in this “Risk Factors” section of this Annual Report on Form 10-K and others such as:

- Announcements relating to our identification and evaluation of strategic alternatives;
- Announcements relating to our delisting or further delisting;
- Prevailing economic conditions;
- Future sales or issuances of equity or debt securities by us;
- Lack of an active, liquid and orderly market in our common stock;
- The issuance of new or changed securities analysts’ reports or recommendations regarding us.

***Our short operating history may make it difficult for stockholders to evaluate the success of our business to date and to assess our future viability.***

We are a biopharmaceutical company with a limited operating history. We commenced active operations in 2014. Our operations to date have been limited to organizing and staffing our company, research and development activities, business planning and raising capital. In February 2024, we voluntarily halted Synpheny-3 based on results of an internal review in advance of an upcoming independent Data Monitoring Committee (DMC) assessment, which indicated the trial was unlikely to meet its primary endpoint. The decision was not based on concerns regarding safety or tolerability. We have not yet demonstrated our ability to successfully complete large-scale, pivotal clinical trials, obtain marketing approvals, manufacture a commercial-scale product, or arrange for a third-party to do so on our behalf, or conduct sales and marketing activities necessary for successful product commercialization. Typically, it takes many years to develop one new product candidate from the time it is discovered to the time that it becomes available for treating patients. We may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors that may hinder our success in commercializing one or more of our product candidates. Further, drug development is a capital-intensive and highly speculative undertaking that involves a substantial degree of risk. You should consider our prospects in light of the costs, uncertainties, delays and difficulties frequently encountered by companies in the early stages of development and clinical trials. Any forward-looking statements regarding our future prospects, plans or viability may not be as accurate as they may be if we had a longer operating history or a history of successfully developing and commercializing pharmaceutical products.

***Our internal computer systems, or those of our collaborators or other contractors or consultants, may fail or suffer cybersecurity incidents, which could result in a material disruption of our product development programs.***

Our internal information technology, or IT, systems and those of our current and any future collaborators and other contractors, consultants, or clinical trial sites are vulnerable to damage from cyberattacks, computer viruses, unauthorized access, natural disasters, terrorism, war and telecommunication and electrical failures. Cyberattacks are increasing in their frequency, sophistication and intensity, and have become increasingly difficult to detect. Cyberattacks could include the deployment of harmful malware, ransomware, denial-of-service attacks, unauthorized access to or deletion of files, social engineering, phishing and other means to affect service reliability and threaten the confidentiality, integrity and availability of information and IT systems. If any of the above events were to occur and cause interruptions in our operations, it could result in a material disruption of our development programs and our business operations, whether due to a loss of our trade secrets or other proprietary information or other similar disruptions. To the extent that any disruption or cybersecurity incident were to result in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability, our competitive position could be harmed. The market perception of the effectiveness of our security measures could be harmed and our reputation and credibility could be damaged. Although we develop and maintain systems and controls designed to prevent these events from occurring, and we have processes to identify and mitigate threats, the development and maintenance of these systems, controls and processes is costly and requires ongoing monitoring and updating as technologies evolve and efforts to overcome security measures become increasingly sophisticated. Moreover, despite our efforts, the possibility of these events occurring cannot be eliminated entirely. In addition, there can be no assurance that we will promptly detect any such disruption or cybersecurity incident, if at all. As we outsource more of our information systems to vendors, engage in more electronic transactions with payors and patients, and rely more on cloud-based information systems, the related security risks will increase and we will need to expend additional resources to protect our technology and information systems. In addition, there can be no assurance that our internal IT systems or those of our third-party contractors, or our consultants' efforts to implement adequate security and control measures, will be sufficient to protect us against breakdowns, service disruption, data deterioration or loss in the event of a system malfunction, or prevent data from being stolen or corrupted in the event of a cyberattack, cybersecurity incident, industrial espionage attacks or insider threat attacks which could result in financial, legal, business or reputational harm, as well as loss of competitive advantage or loss of consumer confidence.

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

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

Presently, we have rights to certain intellectual property, through licenses from third parties and under patents and patent applications owned by us. The growth of our business will likely depend in part on our ability to obtain, maintain or enforce our and our licensors' intellectual property rights and to acquire or in-license additional proprietary rights. For example, our programs may involve additional product candidates or delivery systems that may require the use of additional proprietary rights held by third parties.

We may be unable to develop, acquire or in-license compositions, methods of use, processes or other third-party intellectual property rights from third parties that we identify. The licensing and acquisition of third-party intellectual property rights is a competitive area, and a number of other companies may also be pursuing strategies to license or acquire third-party intellectual property rights that we may consider attractive. These companies could have a competitive advantage over us due to their size, cash resources and greater clinical development and commercialization capabilities.

For example, we have previously collaborated with academic institutions to accelerate our preclinical research or development under written agreements with these institutions. Typically, these institutions provide an option to negotiate a license to any of the institution's rights in technology resulting from the collaboration. Regardless of such right of first negotiation for intellectual property, we may be unable to negotiate a license within the specified time frame or under terms that are acceptable to it. If we are unable to do so, the institution may offer intellectual property rights to other parties, potentially blocking our ability to pursue our program.

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

***We may not have sufficient patent term protections to effectively protect our business.***

Patents have a limited term. In the United States, the statutory expiration of a patent is generally 20 years after it is filed. Although various extensions may be available, the life of a patent, and the protection it affords, is limited. Even if patents covering our product candidates are obtained, once the patent life has expired for a product candidate, we may be open to competition. In addition, upon issuance in the United States any patent term can be adjusted based on specified delays caused by the applicant(s) or the USPTO.

Patent term extensions under the Hatch-Waxman Act in the United States and under supplementary protection certificates in Europe may be available to extend the patent or data exclusivity terms of our product candidates. We will likely seek patent term extensions, and we cannot provide any assurances that any such patent term extensions will be obtained and, if so, for how long. As a result, we may not be able to maintain exclusivity for our product candidates for an extended period after regulatory approval, if any, which would negatively impact our business, financial condition, results of operations and prospects. If we do not have sufficient patent terms or regulatory exclusivity to protect our product candidates, our business and results of operations will be adversely affected.

***Changes in U.S. and foreign patent law could diminish the value of patents in general, thereby impairing our ability to protect our products, and recent patent reform legislation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents.***

As is the case with other biotechnology companies, our success is heavily dependent on patents. Obtaining and enforcing patents in the biotechnology industry involves both technological and legal complexity, and is therefore costly, time-consuming and inherently uncertain. In addition, the United States has recently enacted and is currently implementing wide-ranging patent reform legislation. Recent U.S. Supreme Court rulings have narrowed the scope of patent protection available in specified circumstances and weakened the rights of patent owners in specified situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on decisions by the U.S. Congress, the federal courts, and the USPTO, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future.

European patent practice is expected to change now that the European Unitary Patent (UP) and Unified Patent Court (UPC) went into force on June 1, 2023. The new system will impact both pending European applications and granted European patents, and uncertainty remains about long-term implications of this change. The UPC may particularly present uncertainties for our ability to protect and enforce our patent rights against competitors in Europe. While the UPC is being implemented to provide more certainty and efficiency to patent enforcement throughout Europe, it will also provide our competitors with a new forum to use to centrally revoke our European patents. It will be several years before we will understand the scope of patent rights that will be recognized and the strength of patent remedies that will be provided by the UPC. We will have the right to opt our patents out of the UPC system over the first seven years, but doing so may preclude us from realizing the benefits of the new unified court.

***Obtaining And Maintaining Our Patent Protection Depends on Compliance with Various Procedural, Document Submission, Fee Payment and Other Requirements Imposed by Governmental Patent Agencies, And Our Patent Protection Could be Reduced or Eliminated for Non-Compliance with These Requirements.***

Periodic maintenance fees on any issued patents are due to be paid to the USPTO and foreign patent agencies in several stages over the lifetime of the patent. The USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. Although an inadvertent lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Noncompliance events that could result in abandonment or lapse of a patent or patent application include failure to respond to official actions within prescribed time limits, non-payment of fees, and failure to properly legalize and submit formal documents. In any such event, our competitors might be able to enter the market, which would have a material adverse effect on our business.

***If we are unable to maintain effective proprietary rights for our product candidates or any future product candidates, we may not be able to compete effectively in our proposed markets.***

In addition to the protection afforded by patents, we rely on trade secret protection and confidentiality agreements to protect proprietary know-how that is not patentable or that we elect not to patent. We also utilize processes for which patents are difficult to enforce. In addition, other elements of our products, and many elements of our product candidate discovery and development processes involve proprietary know-how, information or technology that is not covered by patents. Trade secrets may be difficult to protect. We seek to protect our proprietary technology and processes, in part, by entering into confidentiality agreements with our employees, consultants, collaborators, advisors, independent contractors or other third parties. We also seek to preserve the integrity and confidentiality of our data and trade secrets, including by maintaining physical and electronic security of our premises and our information technology systems. While we have confidence in these individuals, organizations and systems, agreements or security measures may be breached, and we may not have adequate remedies for any breach. In addition, competitors may otherwise gain access to our trade secrets or independently develop substantially equivalent information and techniques. Furthermore, the laws of some foreign countries do not protect proprietary rights to the same extent or in the same manner as the laws of the United States. As a result, we may encounter significant problems in protecting and defending our intellectual property both in the United States and abroad. If we are unable to prevent unauthorized material disclosure of our intellectual property to third parties, or misappropriation of

our intellectual property by third parties, we may not be able to establish or maintain a competitive advantage in our market, which could materially adversely affect our business, operating results, and financial condition.

Although we expect all of our employees and consultants to assign their inventions to us, and all of our employees, consultants, collaborators, advisors, independent contractors and any third parties who have access to our proprietary know-how, information, or technology to enter into confidentiality agreements, we cannot provide any assurances that all such agreements have been duly executed or that our trade secrets and other confidential proprietary information will not be disclosed or that competitors will not otherwise gain access to our trade secrets or independently develop substantially equivalent information and techniques. Misappropriation or unauthorized disclosure of our trade secrets could impair our competitive position and may have a material adverse effect on our business, financial condition or results of operations. Additionally, if the steps taken to maintain our trade secrets are deemed inadequate, we may have insufficient recourse against third parties for misappropriating the trade secret.

***Third-party claims of intellectual property infringement may prevent or delay our development and commercialization efforts.***

Our success depends in part on our ability to develop, manufacture, market and sell our product candidates and use our proprietary technology without infringing the patent rights of third parties. Numerous third-party U.S. and non-U.S. issued patents and pending applications exist in the area of synthetic biology. We may become aware of U.S. and foreign patents and pending patent applications owned by third parties that cover similar therapeutic uses as the product candidates we are developing and we may in the future pursue available proceedings in the U.S. and foreign patent offices to challenge the validity of such patents and patent applications. In addition, or alternatively, we may consider whether to seek to negotiate a license of rights to technology covered by one or more of such patents and patent applications. If any patents or patent applications cover our product candidates or technologies, we may not be free to manufacture or market our product candidates as planned, absent such a license, which may not be available to us on commercially reasonable terms, or at all.

It is possible that we have failed to identify relevant third-party patents or applications. For example, applications filed before November 29, 2000 and applications filed after that date that will not be filed outside the United States remain confidential until patents issue. Moreover, it is difficult for industry participants, including us, to identify all third-party patent rights that may be relevant to our product candidates and technologies because patent searching is imperfect due to differences in terminology among patents, incomplete databases and the difficulty in assessing the meaning of patent claims. We may fail to identify relevant patents or patent applications or may identify pending patent applications of potential interest but incorrectly predict the likelihood that such patents may issue with claims of relevance to our technology. In addition, we may be unaware of one or more issued patents that would be infringed by the manufacture, sale or use of a current or future product candidate, or we may incorrectly conclude that a third-party patent is invalid, unenforceable or not infringed by our activities. Additionally, pending patent applications that have been published can, subject to specified limitations, be later amended in a manner that could cover our technologies, our product candidates or the use of our product candidates.

There have been many lawsuits and other proceedings filed by third parties involving patent and other intellectual property rights in the biotechnology and pharmaceutical industries, including patent infringement lawsuits, interferences, oppositions, and reexamination, post-grant review and equivalent proceedings before the USPTO and corresponding foreign patent offices. Numerous U.S. and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we are developing product candidates. As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that our product candidates may be subject to claims of infringement of the patent rights of third parties.

Parties making claims against us may obtain injunctive or other equitable relief, which could effectively block our ability to further develop and commercialize one or more of our product candidates. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business. In the event of a successful claim of infringement against us, we may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, pay royalties, redesign our infringing products or obtain one or more licenses from third parties, which may be impossible or require substantial time and monetary expenditure.

***We depend, in part, on our licensors to file, prosecute, maintain, defend and enforce patents and patent applications that are material to our business.***

While we normally seek and gain the right to fully prosecute the patent applications relating to our product candidates, there may be times when the patent applications enabling our product candidates are controlled by our licensors. If any of our existing or future licensors fail to appropriately and broadly prosecute and maintain patent protection for patents covering any of our product candidates, our ability to develop and commercialize those product candidates may be adversely affected and we may not be able to prevent competitors from making, using, importing, and selling competing products. In addition, even where we now have the right to control patent prosecution of patents and patent applications we have licensed from third parties, we may still be adversely affected or prejudiced by actions or inactions of our licensors in effect from actions prior to us assuming control over patent prosecution.

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

We are a party to certain intellectual property license agreements and may enter into additional license agreements in the future. Our existing agreements impose, and future license agreements may impose, certain obligations, including the payment of milestones and royalties based on revenues from sales of our products utilizing the technologies licensed from our licensors, and such obligations could adversely affect the overall profitability for us of any products that we may seek to commercialize. In addition, we will need to outsource and rely on third parties for many aspects of the clinical development, sales and marketing of our product candidates covered under our license agreements. Delay or failure by these third parties could adversely affect the continuation of our license agreements with our third-party licensors. If we fail to comply with our obligations under these agreements, or we are subject to a bankruptcy, these agreements may be subject to termination by the licensor which could have a material adverse effect on our business.

***We may be involved in lawsuits to protect or enforce our patents or the patents of our licensors, which could be expensive, time consuming, and unsuccessful.***

Competitors may infringe our patents or the patents of our licensors. To cease such infringement or unauthorized use, we or one of our licensing partners may be required to file patent infringement claims against a third-party to enforce one of our patents which can be expensive, time-consuming and unpredictable. In addition, in an infringement proceeding or a declaratory judgment action against us, a court may decide that one or more of our patents is not valid or is unenforceable or may refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question. An adverse result in any litigation or defense proceeding could put one or more of our patents at risk of being invalidated, held unenforceable or interpreted narrowly and could put our patent applications at risk of not issuing. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business.

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

Interference or derivation proceedings provoked by third parties or brought by us or declared by the USPTO may be necessary to determine the priority of inventions or correct inventorship with respect to our patents or patent applications or those of our licensors. An unfavorable outcome could result in a loss of our current patent rights and could require us to cease using the related technology or to attempt to license rights to us from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms. Our defense of litigation, derivation or interference proceedings may result in a decision adverse to our interests and, even if successful, may result in substantial costs and distract our management and other employees. In addition, we may be unable to raise the funds necessary to conduct our clinical trials, continue our research programs, license necessary technology from third parties, or enter into development partnerships that would help us bring our product candidates to market.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. There could also be public announcements of the results of hearings, motions, or other interim proceedings or developments. Any disclosure of confidential information could adversely affect our business. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock.

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

We may in the future be subject to claims that former employees, consultants, collaborators, advisors, independent contractors or other third parties have an interest in our patents or other intellectual property as an inventor or co-inventor or other claims challenging the inventorship of our patents or ownership of our intellectual property (including patents and intellectual property that we in-license). Therefore, our rights to these patents may not be exclusive and third parties, including competitors, may have access to intellectual property that is important to our business. In addition, co-owners from whom we do not yet have a license or assignment may raise claims surrounding inventorship or ownership of patents that ultimately issue from this patent family, potentially resulting in issued patents to which we would not have rights under our existing license agreements. Further, in jurisdictions outside the United States, a license may not be enforceable unless all the owners of the intellectual property agree or consent to the license. In addition, we may have inventorship disputes arising from conflicting obligations of consultants or others who are involved in developing our product candidates. Litigation may be necessary to defend against these and other claims challenging inventorship of our patents. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, valuable intellectual property. Such an outcome could have a material adverse effect on our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

***We may be subject to claims that our employees, consultants, collaborators, advisors, independent contractors or other third parties have wrongfully used or disclosed confidential information of third parties or that our employees have wrongfully used or disclosed alleged trade secrets of their former employers.***

We have received confidential and proprietary information from third parties. In addition, we employ individuals who were previously employed at universities, academic research institutions and at other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Although we have written agreements with and make every effort to ensure that our employees, consultants, collaborators, advisors, independent contractors or other third parties do not use the proprietary information or intellectual property rights of others in their work for us, we may in the future be subject to claims that our employees, consultants, collaborators, advisors, independent contractors or other third parties have inadvertently or intentionally used or disclosed confidential information of these third parties. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel, which could adversely impact our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

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

We have limited intellectual property rights outside the United States. Filing, prosecuting, and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and intellectual property rights in some countries outside the United States can have a different scope and strength and be less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, we may not be able to prevent third parties (including competitors) from practicing our inventions in all countries outside the United States, or from selling or importing products made using our inventions in and into the United States or other jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and, further, may export otherwise infringing products to territories where we have patent protection, but where enforcement rights are not as strong as those in the United States. These products may compete with our products and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

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

Additionally, Europe's Unified Patent Court (UPC) may present uncertainties for our ability to protect and enforce our patent rights against competitors in Europe. Although this new court has been implemented to provide more certainty and efficiency to patent enforcement throughout Europe, it will also provide our competitors with a new forum to use to centrally challenge our patents if

opted into the UPC, rather than having to seek invalidity or non-infringement decisions on a country-by-country basis. It will be several years before the scope of patent rights that will be recognized and the strength of patent remedies that will be provided is known.

***Some of our intellectual property may be subject to federal regulations such as “march-in” rights, certain reporting requirements and a preference for U.S.-based companies if it is determined that our intellectual property has been discovered through government-funded programs. Compliance with such regulations may limit our exclusive rights, and limit our ability to contract with non-U.S. manufacturers.***

Some of the intellectual property rights we have acquired or licensed or may acquire or license in the future may have been generated through the use of U.S. government funding and may therefore be subject to certain federal regulations. These U.S. government rights include a non-exclusive, non-transferable, irrevocable worldwide license to use inventions for any governmental purpose. In addition, the U.S. government has the right, under certain limited circumstances, to require us to grant exclusive, partially exclusive, or non-exclusive licenses to any of these inventions to a third party if it determines that: (i) adequate steps have not been taken to commercialize the invention; (ii) government action is necessary to meet public health or safety needs; or (iii) government action is necessary to meet requirements for public use under federal regulations (also referred to as “march-in rights”). The U.S. government also has the right to take title to these inventions if the grant recipient fails to disclose the invention to the government or fails to file an application to register the intellectual property within specified time limits. Intellectual property generated under a government funded program is also subject to certain reporting requirements, compliance with which may require us to expend substantial resources. In addition, the U.S. government requires that any products embodying any of these inventions or produced through the use of any of these inventions be manufactured substantially in the United States. This preference for U.S. industry may be waived by the federal agency that provided the funding if the owner or assignee of the intellectual property can show that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible. This preference for U.S. industry may limit our ability to contract with non-U.S. product manufacturers for products relating to such intellectual property. To the extent any of our future intellectual property is also generated through the use of U.S. government funding, the provisions of the Bayh-Dole Act may similarly apply.

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

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

## **General Risk Factors**

***We have identified a material weakness in our internal control over financial reporting as of December 31, 2025, due to an ineffective internal information and communication process related to significant and non-routine transactions to ensure that relevant and reliable information was communicated on a timely basis across the organization, to enable financial personnel to effectively carry out their financial reporting and internal control roles and responsibilities. If we are not able to remediate this material weakness, or if we experience additional material weaknesses or other deficiencies in our internal control over financial reporting in the future or otherwise fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately or timely report our financial results or prevent fraud, and we may conclude that our internal control over financial reporting is not effective, which may adversely affect our business.***

Effective internal control over financial reporting is necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, is designed to prevent fraud. Any failure to maintain or implement required new or improved controls, or difficulties encountered in implementation could cause us to fail to meet our reporting obligations. In addition, any testing by us, as and when required, conducted in connection with Section 404 of the Sarbanes-Oxley Act, or Section 404, or any testing by our independent registered public accounting firm may reveal deficiencies in our internal control over financial reporting

that are deemed to be material weaknesses or that may require prospective or retroactive changes to our consolidated financial statements or identify other areas for further attention or improvement.

As disclosed in this Annual Report on Form 10-K, we identified a material weakness in our internal control over financial reporting as of December 31, 2025. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim consolidated financial statements will not be prevented or detected on a timely basis. Specifically, our management concluded that we did not have an effective internal information and communication process to ensure that relevant and reliable information was communicated on a timely basis across the organization, to enable financial personnel to effectively carry out their financial reporting and internal control roles and responsibilities. The failure, relating to significant and non-routine transactions, resulted in a misstatement of our warrant liabilities, transaction costs, change in fair value of warrant liabilities, additional paid-in-capital, accumulated deficit and certain related financial disclosures. This material weakness resulted in the correction of our consolidated financial statements as of and for the year ended December 31, 2023, and for the quarterly periods ended March 31, 2024 and June 30, 2024. For further discussion of the material weakness, see Part II, Item 9A, “Controls and Procedures.”

We have taken and plan to continue to take actions to remediate this material weakness, including (i) strengthening our formal accounting policies, procedures and controls over accounting for significant and non-routine transactions with a focus on ensuring the analysis is complete and includes each of the material components of the transaction; (ii) specific oversight procedures, including the requirement of the finance staff and consultants, to attend any and all meetings regarding significant and non-routine transactions; and (iii) specific review procedures, requiring review of all documents pertaining to significant and non-routine transactions by both finance staff and consultants. However, we cannot provide assurance that we will be able to correct this material weakness in a timely manner or that our remediation efforts will be adequate to allow us to conclude that our internal control over financial reporting will be effective in the future. Even if this material weakness is remediated in the future, we could identify additional material weaknesses or deficiencies in our internal control over financial reporting that could require correction or remediation.

In addition, our conclusion that we have a material weakness could give rise to increased scrutiny, review, audit and investigation over our accounting controls and procedures, which could then lead to additional areas of deficiency or errors in our financial statements.

We will need to continue to dedicate internal resources, engage outside consultants and maintain a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to remediate the material weakness relating to our internal information and communication process described above relating to significant and non-routine transactions, and any future control deficiencies or material weaknesses, and improve control processes as appropriate, validate through testing that controls are functioning as documented and maintain a continuous reporting and improvement process for internal control over financial reporting. If we are not able to correct material weaknesses or deficiencies in internal controls in a timely manner or otherwise comply with the requirements of Section 404 in a timely manner, our ability to record, process, summarize and report financial information accurately and within applicable time periods may be adversely affected, and we could be subject to sanctions or investigations by the SEC, the Nasdaq Stock Market or other regulatory authorities as well as stockholder litigation which, even if resolved in our favor, would require additional financial and management resources and could adversely affect the market price of our common stock. Any failure to maintain or implement required effective internal control over financial reporting, or any difficulties we encounter in their implementation, could result in additional material weaknesses, cause us to fail to meet our reporting obligations or result in material misstatements in our financial statements. Furthermore, if we cannot provide reliable financial reports or prevent fraud, our business and results of operations could be harmed. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our common stock and could also affect our ability to raise capital to fund future business initiatives.

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

Based on the beneficial ownership of our common stock as of March 5, 2026, our directors, together with holders of 5% or more of our common stock outstanding and their respective affiliates, beneficially own the majority of our common stock. As of March 5, 2026, affiliates of Cable Car Capital LLC (“Cable Car”) and New Enterprise Associates 14, L.P. (“NEA 14”) owned approximately 28% and 25% of our outstanding common stock, respectively. Although we are not a “controlled company” within the meaning of the corporate governance standards of the New York Stock Exchange, affiliates of Cable Car and NEA 14 are able to significantly influence our decisions, including the election of directors, consolidation or sale of all or substantially all of our assets or any other significant corporate transaction. The interests of these stockholders may not be the same as or may even conflict with your interests. For example, these stockholders could delay or prevent a change of control, even if such a change of control would benefit our other stockholders, which could deprive our stockholders of an opportunity to receive a premium for their common stock as part of a sale of the company or our assets and might affect the prevailing market price of our common stock. The significant concentration of stock ownership may adversely affect the trading price of our common stock due to investors’ perception that conflicts of interest may exist or arise.

***Future sales of our common stock or securities convertible or exchangeable for our common stock may depress our stock price.***

If our existing stockholders or holders of our options sell, or indicate an intention to sell, substantial amounts of our common stock in the public market, the trading price of our common stock could decline. The perception in the market that these sales may occur could also cause the trading price of our common stock to decline. As of March 5, 2026, there were a total of 11,698,919 shares of our common stock outstanding. We have also registered and intend to continue to register all shares of common stock that we may issue under our equity compensation plans. Once we register these shares, they can be freely sold in the public market upon issuance, subject to volume limitations applicable to affiliates and vesting provisions, as applicable.

***Our quarterly operating results may fluctuate significantly or may fall below the expectations of investors or securities analysts, each of which may cause our stock price to fluctuate or decline.***

We expect our operating results to be subject to quarterly fluctuations.

If our quarterly operating results fall below the expectations of investors or securities analysts, the price of our common stock could decline substantially. Furthermore, any quarterly fluctuations in our operating results may, in turn, cause the price of the company's stock to fluctuate substantially. We believe that quarterly comparisons of our financial results are not necessarily meaningful and should not be relied upon as an indication of our future performance.

***Provisions of our charter documents or Delaware law could delay or prevent an acquisition of us, even if the acquisition would be beneficial to our stockholders and could make it more difficult for you to change management.***

Provisions in our amended and restated certificate of incorporation and our amended and restated bylaws may discourage, delay or prevent a merger, acquisition or other change in control that our stockholders may consider favorable, including transactions in which our stockholders might otherwise receive a premium for their shares. In addition, these provisions may frustrate or prevent any attempt by our stockholders to replace or remove our current management by making it more difficult to replace or remove our Board of Directors. These provisions include:

- A classified board of directors so that not all directors are elected at one time;
- A prohibition on stockholder action through written consent;
- No cumulative voting in the election of directors;
- The exclusive right of our Board of Directors to elect a director to fill a vacancy created by the expansion of our Board of Directors or the resignation, death or removal of a director;
- A requirement that special meetings of our Stockholders be called only by our Board of Directors, the chairman of our Board of Directors, the chief executive officer or, in the absence of a chief executive officer, the president;
- An advance notice requirement for stockholder proposals and nominations;
- The authority of our Board of Directors to issue preferred stock with such terms as our Board of Directors may determine; and
- A requirement of approval of not less than 66 2/3% of all outstanding shares of our capital stock entitled to vote to amend any bylaws by stockholder action, or to amend specific provisions of our certificate of incorporation.

In addition, Delaware law prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder, generally a person who, together with its affiliates, owns or within the last three years has owned 15% or more of the company's voting stock, for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. Accordingly, Delaware law may discourage, delay or prevent a change in control of the company.

In addition, our amended and restated certificate of incorporation, to the fullest extent permitted by law, provides that the Court of Chancery of the State of Delaware will be the exclusive forum for: any derivative action or proceeding brought on our behalf; any action asserting a breach of fiduciary duty; any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, or the DGCL, our amended and restated certificate of incorporation, or our amended and restated bylaws; or any action asserting a claim against us that is governed by the internal affairs doctrine. This exclusive forum provision does not apply to suits brought to enforce a duty or liability created by the Exchange Act. It could apply, however, to a suit that falls within one or more of the categories enumerated in the exclusive forum provision and asserts claims under the Securities Act, inasmuch as Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rule and regulations thereunder. There is uncertainty as to whether a court would enforce such provision with respect to claims under the Securities Act, and our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder.

This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, or other employees, which may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the choice of forum provisions contained in our restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations and financial condition.

Provisions in our charter and other provisions of Delaware law could limit the price that investors are willing to pay in the future for shares of our common stock.

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

The trading market for our common stock will depend, in part, on the research and reports that securities or industry analysts publish about us or our business. If one or more of the analysts who cover us downgrade our common stock or publish inaccurate or unfavorable research about our business, our stock price would likely decline. In addition, if our operating results fail to meet the forecast of analysts, our stock price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, demand for our common stock could decrease, which might cause our stock price and trading volume to decline.

***Changes in, or interpretations of, accounting rules and regulations could result in unfavorable accounting charges or require us to change our compensation policies.***

Accounting methods and policies for biopharmaceutical companies, including policies governing revenue recognition, research and development and related expenses and accounting for stock-based compensation, are subject to further review, interpretation and guidance from relevant accounting authorities, including the SEC. Changes to, or interpretations of, accounting methods or policies may require us to reclassify, restate or otherwise change or revise our financial statements, including those contained in this periodic report.

***We will continue to incur costs as a result of being a public company, and our management will continue to devote substantial time to compliance initiatives and corporate governance practices.***

As a public company, we have incurred and will continue to incur significant legal, accounting and other expenses. The Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of The Nasdaq Capital Market and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our management and other personnel devote and will need to continue to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations have increased and will continue to increase our legal and financial compliance costs and make some activities more time-consuming and costly. For example, we expect that these rules and regulations will continue to make it more difficult and more expensive for us to maintain director and officer liability insurance, which in turn could make it more difficult for us to attract and retain qualified members of our board of directors.

These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in future uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

#### **Item 1B. Unresolved Staff Comments.**

None.

#### **Item 1C. Cybersecurity.**

We recognize the critical importance of maintaining the trust and confidence of patients, business partners and employees toward our business and are committed to protecting the confidentiality, integrity and availability of our business operations and systems. Our board of directors is actively involved in oversight of our risk management activities, and cybersecurity represents an important element of our overall approach to risk management. In general, we seek to address cybersecurity risks through a cross-functional approach that is focused on preserving the confidentiality, security and availability of the information that we collect and store by identifying, preventing and mitigating cybersecurity threats and effectively responding to cybersecurity incidents when they occur.

### ***Cybersecurity Risk Management and Strategy; Effect of Risk***

We face risks related to cybersecurity such as unauthorized access, cybersecurity attacks and other security incidents, including as perpetrated by hackers and unintentional damage or disruption to hardware and software systems, loss of data, and misappropriation of confidential information. To identify and assess material risks from cybersecurity threats, we maintain a comprehensive cybersecurity program and work with a third party managed service provider to ensure our systems are effective and prepared for information security risks, including regular oversight of our programs for security monitoring for internal and external threats to ensure the confidentiality and integrity of our information assets. We consider risks from cybersecurity threats alongside other company risks as part of our overall risk assessment process. We and our third-party partners employ a range of tools and services, including regular network and endpoint monitoring and protection, audits, vulnerability assessments, and penetration testing, to inform our risk identification and assessment. As discussed in more detail under “Cybersecurity Governance; Management” below, our audit committee provides oversight of our cybersecurity risk management and strategy processes, which are led by our Principal Executive Officer and Principal Financial Officer.

We also identify our cybersecurity threat risks by using the services of a managed services provider. To provide for the availability of critical data and systems, maintain regulatory compliance, manage our material risks from cybersecurity threats, and protect against and respond to cybersecurity incidents, we undertake the following activities:

- monitor as appropriate emerging data protection laws and industry literature and implement changes to our processes that are designed to comply with such laws if needed;
- through our policies, practices and contracts (as applicable), require employees, as well as third parties that provide services on our behalf, to treat confidential information and data with care;
- employ technical safeguards that are designed to protect our information systems from cybersecurity threats, including redundant firewalls, intrusion prevention and detection systems, multi-factor authentication, encryption, anti-malware functionality and access controls;
- provide annual and routine mandatory training utilizing Knowbe4 (leading security awareness training module) for our employees and contractors regarding cybersecurity threats as a means to equip them with effective tools to address cybersecurity threats, and to communicate our evolving information security policies, standards, processes and practices;
- conduct phishing email simulations for employees and contractors with access to our email systems to enhance awareness and responsiveness to possible threats;
- utilize a managed services provider to help us identify, protect, detect, respond and recover when there is an actual or potential cybersecurity incident; and
- carry information security risk insurance that provides protection against the potential losses arising from a cybersecurity incident

Our incident response plan coordinates the activities we, in concert with our third party managed services provider, take to prepare for, detect, respond to and recover from cybersecurity incidents, which include processes to triage, assess severity for, escalate, contain, investigate and remediate the incident, as well as to comply with potentially applicable legal obligations and mitigate damage to our business and reputation.

Our processes also address cybersecurity threat risks associated with our use of third-party service providers, including our suppliers and manufacturers or who have access to patient and employee data or our systems. In addition, cybersecurity considerations affect the selection and oversight of our third-party service providers. We perform diligence on third parties that have access to our systems, data or facilities that house such systems or data, including through vendor security questionnaires as appropriate.

We describe whether and how risks from identified cybersecurity threats, including as a result of any previous cybersecurity incidents, have materially affected or are reasonably likely to materially affect us, including our business strategy, results of operations or financial condition, under the heading “*Our internal computer systems, or those of our collaborators or other contractors or consultants, may fail or suffer cybersecurity incidents, which could result in a material disruption of our product development programs,*” which disclosures are incorporated by reference herein. In the last three fiscal years, we have not experienced any cybersecurity incidents which have materially affected or are reasonably likely to materially affect our business strategy, results of operations or financial condition.

## ***Cybersecurity Governance; Management***

Cybersecurity is an important part of our risk management processes and an area of focus for our board of directors and management. Our board of directors executes its oversight responsibility for risk management both directly and through delegating oversight of certain of these risks to its committees, and our board of directors has authorized our audit committee to oversee risks from cybersecurity threats.

At least annually and on a periodic basis, our audit committee receives an update from management on our cybersecurity threat risk management and strategy processes and generally receives materials on our ability to mitigate current and emerging risks. Our processes require that our audit committee is designated to receive prompt and timely information regarding any cybersecurity incident that meets establishing reporting thresholds, as well as ongoing updates regarding any such incident until it has been addressed.

Our cybersecurity risk management and strategy processes, which are discussed in greater detail above, are led by the Company's Principal Executive Officer and Principal Financial Officer, along with the Company's managed services provider, which monitors the prevention, mitigation, detection, and remediation of cybersecurity incidents through their management of, and participation in, the cybersecurity risk management and strategy processes described above, including the operation of our incident response plan. As discussed above, the Company's Principal Executive Officer and Principal Financial Officer reports to the audit committee of our board of directors about cybersecurity threat risks, among other cybersecurity related matters, on an annual basis.

### **Item 2. Properties.**

Until June 26, 2024, our corporate headquarters and operations were located in Cambridge, Massachusetts.

As described further under *Note 7: Restructuring and Other Charges*, in connection with the corporate restructuring, on June 26, 2024 (the "Termination Date"), the Company entered into a Lease Termination Agreement (the "Termination Agreement") for its corporate headquarters at 301 Binney Street in Cambridge, Massachusetts, with the landlord which, effective immediately, terminated the lease.

The official address of our corporate headquarters and operations is P.O. Box 30, Winchester, Massachusetts 01890. We believe that our existing office space is adequate to meet current requirements, and that suitable additional or substitute space will be available as needed to accommodate our operations.

### **Item 3. Legal Proceedings.**

From time to time, we are subject to various legal proceedings, claims and administrative proceedings that arise in the ordinary course of our business activities. Although the results of the litigation and claims cannot be predicated with certainty, as of the date of this report, we do not believe we are party to any claim, proceeding or litigation the outcome of which, if determined adversely to us, would individually or in the aggregate be reasonably expected to have a material adverse effect on our business. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

### **Item 4. Mine Safety Disclosures.**

Not applicable.

## PART II

### **Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.**

#### ***Market Information***

Our common stock has been traded on the OTCID under the symbol “SYBX” since January 21, 2026. Previously, since August 28, 2017, our common stock had traded on The Nasdaq Capital Market under the symbol “SYBX.”

#### ***Stockholders***

As of March 5, 2026, there were approximately 69 stockholders of record of our common stock.

#### ***Dividends***

We have never declared or paid any dividends to our stockholders since our inception.

#### ***Unregistered Sales of Equity Securities and Use of Proceeds***

None.

#### ***Issuer Purchases of Equity Securities***

There were no repurchases of common stock during the quarter ended December 31, 2025.

### **Item 6. [Reserved.]**

## **Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.**

### **Forward-Looking Information**

*The Risk Factors in Part I, Item 1A of this Annual Report on Form 10-K, the audited financial statements and accompanying notes, included elsewhere in this Annual Report on Form 10-K, and this Management's Discussion and Analysis of Financial Condition and Results of Operations should be read together. In addition to historical information, this discussion and analysis contains forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Exchange Act. Operating results are not necessarily indicative of results that may occur for the full fiscal year or any other future period.*

### **Overview**

We are a biopharmaceutical company that previously advanced novel therapeutics to transform the care of serious diseases. We focused on rare metabolic disorders, with our lead program, labafenogene marselecobac (SYNB1934), studied in Synpheny-3, a global, pivotal Phase 3 study for patients with phenylketonuria (PKU), and SYNB1353, a potential treatment for homocystinuria (HCU). Both PKU and HCU are caused by inborn errors of metabolism, and present significant need for innovation due to limitations of both efficacy and safety in the currently available medical treatment options. In February 2024, we made the decision to discontinue Synpheny-3, our pivotal study of our lead product candidate, labafenogene marselecobac (SYNB1934), as a potential treatment for PKU. The decision to end Synpheny-3 is based on results of an internal review in advance of an upcoming independent Data Monitoring Committee (DMC) assessment, which indicated the trial was unlikely to meet its primary endpoint. The decision was not based on concerns regarding safety or tolerability. As a result, our current corporate strategy is focused on pursuing strategic initiatives to enhance stockholder value, including but not limited to, a merger or the sale of the Company. Our strategic process is both active and ongoing and includes a range of interactions with transaction counterparties. Thus, we believe it is in our stockholders’ best interest to allow sufficient opportunity to pursue and consummate one or more such transactions and to consider additional alternatives that may materialize in the future. However, there can be no assurance that such activities will result in any agreements or transactions that will enhance shareholder value. Further, any strategic transaction that is completed ultimately may not deliver the anticipated benefits or enhance shareholder value.

### **Nasdaq Delisting**

On November 21, 2025, we received the Notice from the Staff of Nasdaq that stated the Staff’s belief that we were a “public shell” and that, therefore, the continued listing of its securities was no longer warranted in the view of the Staff. In the Notice, the Staff explained that it based this belief on its review of our public disclosures and materials submitted to the Staff by us. In addition, the Staff noted its belief was supported by our lack of revenue generating assets and the substantial reduction in employees and operations since February 2024. The Staff also considered our quarterly reports on Forms 10-Q filed on May 8, 2025, August 7, 2025, and November 13, 2025, respectively, which indicated that we had not generated any revenue for the nine months ended 2025, that we had no ongoing research and development activities or active clinical trial and that we had research and development expenses of only \$16,000. The Notice further advised that, unless we timely request a hearing before a Panel, we would be subject to suspension/delisting.

On November 28, 2025, we timely requested a hearing before the Panel, which temporarily stayed the suspension of trading and delisting of our common stock from Nasdaq. The hearing was scheduled for January 20, 2026. After additional consideration, we determined that it was no longer in our best interest to pursue continued listing of our common stock on The Nasdaq Capital Market and withdrew our request for a hearing on January 16, 2026. As a result, on January 16, 2026, we received notice from Nasdaq that our shares would be suspended at the open of business on January 21, 2026.

Following the suspension of trading of our shares of common stock on Nasdaq and delisting of our shares of common stock from Nasdaq, we believe that we are a “public shell” under the Nasdaq rules. Our shares of common stock have been quoted on the OTC since January 21, 2026. As a shell company, our operating expenses have consisted primarily of, and we expect them to continue to consist primarily of, customary public company expenses, including personnel, accounting, financial reporting, legal, audit and other related public company costs.

### **Effects of Inflation**

We do not believe that inflation has had a material impact on our business or operating results during the periods presented. However, inflationary costs could adversely affect our business, financial condition and results of operations. Increased inflation has had, and may continue to have, an effect on interest rates. Increased interest rates may adversely affect our borrowing rate and our ability to obtain, or the terms under which we can obtain, any potential additional funding.

## **Financial Overview**

### ***Research and Development Expense***

Research and development expense consist of expenses incurred in connection with the discovery and development of our product candidates, which are expensed as they are incurred.

### ***General and Administrative Expense***

General and administrative expenses consist primarily of compensation, benefits and other employee-related expenses for personnel in our administrative, finance, legal, information technology, investor relations, business development and human resource functions. Other general and administrative costs include the legal costs of pursuing patent protection of our intellectual property, facility and information technology infrastructure costs, directors' and officers' insurance, and professional fees for accounting, tax, legal and consulting services. We anticipate that our general and administrative expenses may increase in the future as we explore strategic alternatives, including potential legal, accounting and advisory expenses and other related charges. We also anticipate that we will continue to incur accounting, legal, regulatory, compliance and directors' and officers' insurance costs.

### ***Restructuring and Other Charges***

In February 2024, we made the decision to discontinue Synpheny-3, our pivotal study of our lead product candidate, labafenogene marselecobac (SYNB1934), as a potential treatment for PKU. As a result, we started to undertake certain operational and organizational steps in connection with a strategic reorganization plan and related cost-saving measures. We initiated a plan to review strategic alternatives in which we substantially reduced our operations and reduced the workforce, leaving one remaining full-time employee. In addition, the Company has engaged consultants, to, among other things, support the strategic review process and current business operations.

### ***Other Income (Expense)***

Interest and investment income consists of income earned on investments. Other income (expense) consists primarily of gains and losses on foreign currency invoices and gains and losses on remeasurement of the purchase warrant liability.

## **Critical Accounting Policies and Estimates**

Our discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements prepared in accordance with generally accepted accounting principles in the U.S. (GAAP). The preparation of these financial statements requires us to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, the reported amounts of revenues and expenses during the reported periods and related disclosures. These estimates and assumptions, including those related to warrants are monitored and analyzed by us for changes in facts and circumstances, and material changes in these estimates could occur in the future. The judgment regarding the inputs used to value liability-classified warrants using the Black-Scholes option pricing model and estimates and assumptions involved in our research and development expenses, involve a greater degree of judgment, and therefore we consider warrants and research and development expenses to be our critical accounting policies. We evaluate our estimates and assumptions on an ongoing basis. Actual results may differ from our estimates under different assumptions or conditions. We believe that these identified policies are critical to fully understanding and evaluating our financial condition and results of operations.

We believe that the application of the following accounting policies, each of which require significant judgments and estimates on the part of management, are the most critical to aid in fully understanding and evaluating our reported financial results. Our significant accounting policies are more fully described in Note 2, *Summary of Significant Accounting Policies*, to our consolidated financial statements appearing elsewhere in this Annual Report on Form 10-K. During the year ended December 31, 2025, we determined that research and development expense was no longer a critical accounting policy due to the corporate restructuring and current focus on the strategic review process and business operations.

## Results of Operations

The following discussion summarizes the key factors our management believes are necessary for an understanding of our consolidated financial results.

	Years Ended December 31,	
	2025	2024
	(in thousands)	
Revenue	\$ —	\$ 8
Operating expenses:		
Research and development	43	9,154
General and administrative	3,489	6,631
Restructuring and other charges	476	25,173
Total operating expenses	4,008	40,958
Loss from operations	(4,008)	(40,950)
Other income (expense):		
Interest and investment income	695	1,425
Change in fair value of purchase warrant liability	2,308	16,173
Other expense	—	(2)
Total other income, net	3,003	17,596
Loss before income taxes	(1,005)	(23,354)
Income tax expense	—	(5)
Net loss	\$ (1,005)	\$ (23,359)
Net loss per share - basic and diluted	\$ (0.08)	\$ (1.92)
Weighted-average common shares - basic and diluted	12,311,909	12,196,209
Comprehensive loss:		
Net loss	\$ (1,005)	\$ (23,359)
Net unrealized loss on marketable securities	—	(6)
Comprehensive loss	\$ (1,005)	\$ (23,365)

## Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

### Revenue

	Years Ended December 31,		Change	
	2025	2024	\$	%
	(in thousands)			
Revenue	\$ —	\$ 8	\$ (8)	(100)%

There was no revenue for the year ended December 31, 2025 compared to \$0.01 million for the year ended December 31, 2024. Revenue for the year ended December 31, 2024 was related to a material transfer and consulting agreement, under which work was completed in March 2024.

### Operating Expenses

	Years Ended December 31,		Change	
	2025	2024	\$	%
	(in thousands)			
Operating expenses:				
Research and development	\$ 43	\$ 9,154	\$ (9,111)	(100)%
General and administrative	3,489	6,631	(3,142)	(47)%
Restructuring and other charges	476	25,173	(24,697)	(98)%
Total operating expenses	\$ 4,008	\$ 40,958	\$ (36,950)	(90)%

## Research and Development Expense

Research and development expense was \$0.04 million for the year ended December 31, 2025 compared to \$9.2 million for the year ended December 31, 2024. The following table below summarizes our research and development expenses by categories of costs for the periods presented (in thousands):

	Years Ended December 31,		Change
	2025	2024	\$
Labafenogene marselecobac (SYNB1934)	\$ 2	\$ 4,395	\$ (4,393)
SYNB1618	1	(418)	419
SYNB8802	—	(4)	4
SYNB1891	—	(16)	16
External pre-development candidate costs and unallocated costs	47	102	(55)
<b>Total external costs</b>	<b>50</b>	<b>4,059</b>	<b>(4,009)</b>
Internal costs:			
Employee compensation and benefits (including equity-based compensation expense)	(7)	1,979	(1,986)
Facility and other	—	3,116	(3,116)
<b>Total internal costs</b>	<b>(7)</b>	<b>5,095</b>	<b>(5,102)</b>
<b>Total research and development expense</b>	<b>\$ 43</b>	<b>\$ 9,154</b>	<b>\$ (9,111)</b>

The decrease of \$9.1 million in research and development expense was primarily due to the following:

- A decrease in external research and development costs of \$4.0 million, which primarily consisted of:
  - o \$4.4 million decrease in clinical, manufacturing and professional costs associated with Labafenogene marselecobac (SYNB1934). The decision to discontinue Synpheny-3, our pivotal study of our lead product candidate, labafenogene marselecobac (SYNB1934), as a potential treatment for PKU, was made in February 2024; and
  - o \$0.4 million benefit in clinical, manufacturing and professional costs associated with SYNB1618 (earlier generation for Labafenogene marselecobac) for the Phase 2 Synpheny-1 study. We completed the final reconciliation of the study with the contract research organization (CRO) and received a refund during the year ended December 31, 2024.
- A \$5.1 million decrease in internal research and development costs, which was primarily driven by the corporate restructuring and reduction in its workforce by more than 90%.

## General and Administrative Expense

General and administrative expense was \$3.5 million for the year ended December 31, 2025 compared to \$6.6 million for the year ended December 31, 2024. The decrease of \$3.1 million was primarily due to lower compensation, benefits and other employee-related expenses due to reduced headcount and decreased professional service costs.

## Restructuring and Other Charges

In February 2024, the Company and its board of directors decided to discontinue the Synpheny-3 trial and to conduct a comprehensive review of strategic alternatives. We also announced a corporate restructuring that resulted in a reduction in our workforce, leaving one remaining full-time employee. In addition, we have engaged consultants, to, among other things, support the strategic review process and current business operations. We recorded restructuring and other charges of \$0.5 million for the year ended December 31, 2025, compared to \$25.2 million for the year ended December 31, 2024. As part of the corporate restructuring, we recorded impairment charges related to our leases, property and equipment, and prepaid research and development. Additionally, we had other restructuring costs related to severance payments due to the reduction in workforce, accelerated stock compensation expense, legal fees, and contract termination costs.

## Other Income (Expense)

Other income for the year ended December 31, 2025 was \$3.0 million, compared to \$17.6 million for the corresponding period in 2024. The decrease in other income of \$14.6 million was primarily related to the change in fair value of the purchase warrants classified as liabilities on the consolidated balance sheet.

## Liquidity and Capital Resources

We have incurred losses since our inception on March 14, 2014 and as of December 31, 2025, we had an accumulated deficit of \$442.7 million. We have financed our operations to date primarily through the sale of preferred stock, common stock, preferred units and warrants, payments received under prior collaboration agreements, interest earned on investments, and cash received in the Merger. At December 31, 2025, we had \$14.7 million in cash and cash equivalents. Our cash and cash equivalents include amounts held in money market funds, stated at cost plus unrealized gain and loss, which approximates fair market value. We invest cash in excess of immediate requirements in accordance with our investment policy, which limits the amounts we may invest in any one type of investment and requires all investments held by us to maintain minimum ratings from Nationally Recognized Statistical Rating Organizations so as to primarily achieve liquidity and capital preservation.

During the year ended December 31, 2025, our cash, cash equivalents and marketable securities balance decreased by \$4.2 million. This decrease was primarily due to the cash used to operate our business. In February 2024, we implemented a strategic reduction of our workforce, leaving one remaining full-time employee. In addition, we have engaged consultants, to, among other things, support the strategic review process and current business operations. In the years ended December 31, 2025 and December 31, 2024, we recorded restructuring and impairment charges in connection with the restructuring.

The following table sets forth the major sources and uses of cash, cash equivalents and restricted cash for each of the periods below:

	Years Ended December 31,	
	2025	2024
	(in thousands)	
Net cash, cash equivalents and restricted cash (used in) provided by		
Operating activities	\$ (4,359)	\$ (31,658)
Investing activities	167	25,339
Financing activities	—	172
Net decrease in cash, cash equivalents and restricted cash	<u>\$ (4,192)</u>	<u>\$ (6,147)</u>

### Cash Flows from Operating Activities

Net cash, cash equivalents and restricted cash used in operating activities was \$4.4 million for the year ended December 31, 2025. The primary use of cash was our net loss of \$1.0 million, changes in our assets and liabilities of \$1.1 million, \$2.4 million of non-cash items primarily including the change in fair value of purchase warrants, and gain on disposal of property and equipment, partially offset by \$0.1 million of non-cash items related to equity based-compensation. The changes in our assets and liabilities include decreases in prepaid expenses and other current assets and accounts payable and accrued expenses.

Net cash, cash equivalents and restricted cash used in operating activities was \$31.7 million for the year ended December 31, 2024. The primary use of cash was our net loss of \$23.4 million, changes in our assets and liabilities of \$11.7 million, partially offset by \$3.4 million of non-cash items primarily including the change in fair value of purchase warrants, impairment of fixed assets and the right of use asset, gain on lease termination, impairment of prepaid research and development balances related to work with Ginkgo, equity-based compensation, and gain on disposal of property and equipment. The changes in our assets and liabilities include decreases in prepaid expenses and other current assets, prepaid research and development expenses, the operating lease liability, and accounts payable and accrued expenses.

### Cash Flows from Investing Activities

Net cash provided by investing activities for the year ended December 31, 2025 was \$0.2 million and resulted from the proceeds from sales of property and equipment.

Net cash provided by investing activities for the year ended December 31, 2024 was \$25.3 million and resulted primarily from the proceeds from maturity of marketable securities of \$25.5 million and \$1.3 million from sales of property and equipment. This was offset by the purchases of marketable securities of \$1.5 million and the purchases of property and equipment of \$0.01 million.

### Cash Flows from Financing Activities

There was no cash used in or provided by financing activities for the year ended December 31, 2025.

Net cash provided by financing activities for the twelve months ended December 31, 2024 totaled \$0.2 million, primarily related to proceeds from exercise of stock options and net proceeds from the sale of our common stock in an at-the-market offering program.

### ***Funding Requirements***

We currently expect our expenses to remain roughly the same in the near term following our decision to discontinue our Synpheny-3 clinical trial while we explore strategic alternatives. Pending the outcome of our review of strategic alternatives, we expect to incur additional costs in connection with such activities.

We have generated revenue from our prior collaborations, but have not generated any product revenue since our inception and do not expect to generate any product revenue. We believe that our current cash and cash equivalents as of December 31, 2025 will be sufficient to fund our operations at the current levels for at least the next 12 months from the date of this filing.

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

- the outcome, success, timing and cost of any strategic transactions, business combinations or divestiture;
- the costs of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights;
- the acquisition of businesses, products and technologies;
- our need to implement additional infrastructure and internal systems; and
- other risks and uncertainties, including those listed under Part I, Item 1A “Risk Factors.”

### ***Contractual Commitments and Obligations***

As an early-stage company, we are subject to a number of risks common to other life science companies, including, but not limited to, the ability to raise additional capital and protection of proprietary technology. We may never achieve profitability, and unless and until we do, we will continue to need to raise additional capital or obtain financing from other sources, such as strategic collaborations or alliances. If we cannot expand our operations or otherwise capitalize on our business opportunities because we lack sufficient capital, our business, financial condition and results of operations could be materially adversely affected.

### ***Off-Balance Sheet Arrangements***

We do not have any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, that would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. As such, we are not exposed to any financing, liquidity, market or credit risk that could arise if we had engaged in those types of relationships. We enter into guarantees in the ordinary course of business related to the guarantee of our performance and the performance of our subsidiaries.

### ***Recent Accounting Pronouncements***

Please read Note 2, *Summary of Significant Accounting Policies* to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

### **Item 7A. Quantitative and Qualitative Disclosures About Market Risk.**

#### **Interest Rate Risk**

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide this information required under this item.

### **Item 8. Consolidated Financial Statements and Supplementary Data.**

Our consolidated financial statements, together with the independent registered public accounting firm report thereon, appear at pages F-1 through F-21 respectively, of this Annual Report on Form 10-K.

### **Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.**

None.

## **Item 9A. Controls and Procedures.**

### **Definition and limitations of disclosure controls**

Our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed under the Exchange Act, such as this report, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures are also designed to ensure that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. Our management evaluates these controls and procedures on an ongoing basis.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures. These limitations include the possibility of human error, the circumvention or overriding of the controls and procedures and reasonable resource constraints. In addition, because we have designed our system of controls based on certain assumptions, which we believe are reasonable, about the likelihood of future events, our system of controls may not achieve its desired purpose under all possible future conditions. Accordingly, our disclosure controls and procedures provide reasonable assurance, but not absolute assurance, of achieving their objectives.

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

Our Principal Executive Officer and Principal Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of December 31, 2025. Based upon the evaluation, our Principal Executive Officer and Principal Financial Officer concluded that, as of December 31, 2025, our disclosure controls and procedures were not effective at a reasonable assurance level as a result of the material weakness that existed in our internal control over financial reporting, as described below.

However, our Principal Executive Officer and Principal Financial Officer, has concluded that, notwithstanding the identified material weakness in our internal control over financial reporting, the consolidated financial statements in this Annual Report on Form 10-K fairly present, in all material respects, our financial position, results of operations and cash flows for the periods presented in conformity with U.S. GAAP.

### **Management's Report on Internal Control Over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, as amended. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2025. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework (2013). Based on this assessment, management concluded that, as a result of the material weakness that existed as of December 31, 2025, our internal control over financial reporting was not effective as of December 31, 2025.

### ***Material Weakness***

While preparing our condensed consolidated financial statements for the year ended December 31, 2024, management identified a material weakness in internal control over financial reporting. Specifically, we did not design an effective internal information and communication process relating to significant and non-routine transactions to ensure that relevant and reliable information was communicated on a timely basis across the organization, to enable financial personnel to effectively carry out their financial reporting and internal control roles and responsibilities. The failure, relating to significant and non-routine transactions, resulted in a misstatement of our warrant liabilities, transaction costs, change in fair value of warrant liabilities, additional paid-in-capital, accumulated deficit and certain related financial disclosures. This material weakness resulted in the correction of our consolidated financial statements as of and for the year ended December 31, 2023, and for the quarterly periods ended March 31, 2024 and June 30, 2024.

As described in our annual report on Form 10-K for the fiscal year ended December 31, 2024, management has designed a plan and is prepared to execute remediation actions to address the material weakness, however we have not had an instance of a significant and non-routine transaction in order to test the effectiveness of the remediation actions taken to date. As a result, the material

weakness continues to be present as of December 31, 2025. The material weakness cannot be considered remediated until the applicable remedial controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

#### **Changes in Internal Control**

There have not been any changes in the Company's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the controls are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues or misstatements, if any, within a company have been detected. Accordingly, our controls and procedures are designed to provide reasonable, not absolute, assurance that the objectives of our control system are met. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Item 9B. Other Information.**

##### **Rule 10b5-1 Trading Plans**

During the fiscal year ended December 31, 2025, none of our directors or executive officers adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1 (c) or any "non-Rule 10b5-1 trading arrangement."

#### **Item 9C. Disclosure Regarding Foreign Jurisdictions That Prevent Inspections.**

Not Applicable.

### **PART III**

#### **Item 10. Directors, Executive Officers and Corporate Governance.**

The response to this item is incorporated by reference from the discussion responsive thereto under the captions “Management and Corporate Governance Matters,” “Section 16(a) Beneficial Ownership Reporting Compliance,” and “Code of Conduct and Ethics” in the Company’s Proxy Statement for the 2026 Annual Meeting of Stockholders.

#### **Item 11. Executive Compensation.**

The response to this item is incorporated by reference from the discussion responsive thereto under the caption “Executive Officer and Director Compensation” in the Company’s Proxy Statement for the 2026 Annual Meeting of Stockholders.

#### **Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.**

The response to this item is incorporated by reference from the discussion responsive thereto under the caption “Security Ownership of Certain Beneficial Owners and Management” in the Company’s Proxy Statement for the 2026 Annual Meeting of Stockholders.

#### **Item 13. Certain Relationships and Related Transactions, and Director Independence.**

The response to this item is incorporated by reference from the discussion responsive thereto under the captions “Certain Relationships and Related Person Transactions” and “Management and Corporate Governance” in the Company’s Proxy Statement for the 2026 Annual Meeting of Stockholders.

#### **Item 14. Principal Accounting Fees and Services.**

The response to this item is incorporated by reference from the discussion responsive thereto under the caption “Independent Registered Public Accounting Firm” in the Company’s Proxy Statement for the 2026 Annual Meeting of Stockholders.

## PART IV

### Item 15. Exhibits, Financial Statement Schedules.

**Item 15(a).** The following documents are filed as part of this Annual Report on Form 10-K:

**Item 15(a)(1) and (2)** See “Consolidated Financial Statements and Supplementary Data” at Item 8 to this Annual Report on Form 10-K. Other financial statement schedules have not been included because they are not applicable, or the information is included in the financial statements or notes thereto.

**Item 15(a)(3)** The following exhibits are filed as part of, or incorporated by reference into, this Annual Report on Form 10-K.

#### Exhibit Index

Exhibit Number	Exhibit Description	Filed with this Report	Incorporated by Reference herein from Form or Schedule	Filing Date	SEC File/Reg. Number
2.1 <sup>^</sup>	<a href="#"><u>Agreement and Plan of Merger and Reorganization, dated as of May 15, 2017, by and among Mirna Therapeutics, Inc., Meerkat Merger Sub, Inc. and Synlogic, Inc.</u></a>		8-K (Exhibit 2.1)	05/16/2017	001-37566
3.1	<a href="#"><u>Amended and Restated Certificate of Incorporation</u></a>		8-K (Exhibit 3.1)	10/6/2015	001-37566
3.2	<a href="#"><u>Certificate of Amendment (Reverse Stock Split) to the Amended and Restated Certificate of Incorporation, dated August 25, 2017</u></a>		8-K (Exhibit 3.1)	08/28/2017	001-37566
3.3	<a href="#"><u>Certificate of Amendment (Name Change) to the Amended and Restated Certificate of Incorporation</u></a>		8-K (Exhibit 3.2)	08/28/2017	001-37566
3.4	<a href="#"><u>Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Synlogic, Inc., dated June 15, 2023</u></a>		8-K (Exhibit 3.1)	6/15/2023	001-37566
3.5	<a href="#"><u>Certificate of Amendment (Reverse Stock Split) to the Amended and Restated Certificate of Incorporation of Synlogic, Inc., dated September 27, 2023</u></a>		8-K (Exhibit 3.1)	9/28/2023	001-37566
3.6	<a href="#"><u>Amended and Restated Bylaws</u></a>		8-K (Exhibit 3.2)	10/6/2015	001-37566
3.7	<a href="#"><u>Certificate of Designation of Series A Junior Participating Preferred Stock of Synlogic, Inc., as filed with the Secretary of State of the State of Delaware on February 20, 2024.</u></a>		8-K (Exhibit 3.1)	2/20/2024	001-37566
4.1	<a href="#"><u>Form of Common Stock Certificate</u></a>		S-1/A (Exhibit 4.2)	09/18/2015	333-206544
4.2	<a href="#"><u>Pre-Funded Warrant</u></a>		8-K (Exhibit 4.1)	06/12/2019	001-37566
4.3	<a href="#"><u>Form of Pre-Funded Warrant</u></a>		8-K (Exhibit 4.1)	9/29/2023	001-37566
4.4	<a href="#"><u>Form of Purchase Warrant</u></a>		8-K (Exhibit 4.2)	9/29/2023	001-37566
4.5	<a href="#"><u>Description of Securities</u></a>		10-K (Exhibit 4.3)	03/12/2020	001-37566

Exhibit Number	Exhibit Description	Filed with this Report	Incorporated by Reference herein from Form or Schedule	Filing Date	SEC File/Reg. Number
10.1	<a href="#">2015 Equity Incentive Award Plan</a>		10-K (Exhibit 10.1)	03/20/2018	001-37566
10.2	<a href="#">Form of Stock Option Grant Notice and Stock Option Agreement under the 2015 Equity Incentive Award Plan.</a>		S-1/A (Exhibit 10.9(B))	09/11/2015	333-206544
10.3	<a href="#">Form of Restricted Stock Award Agreement and Restricted Stock Unit Award Grant Notice under the 2015 Equity Incentive Award Plan.</a>		S-1/A (Exhibit 10.9(C))	09/11/2015	333-206544
10.4	<a href="#">2017 Stock Incentive Plan</a>		10-K (Exhibit 10.4)	03/20/2018	001-37566
10.5	<a href="#">Form of Stock Option Grant Notice and Stock Option Agreement under 2017 Stock Incentive Plan.</a>		10-Q (Exhibit 10.17)	11/13/2017	001-37566
10.6	<a href="#">2023 Inducement Equity Incentive Award Plan</a>		10-K (Exhibit 10.6)	03/19/2024	001-37566
10.7	<a href="#">Form of Stock Option Grant Notice and Stock Option Agreement under 2023 Inducement Equity Incentive Award Plan</a>		10-K (Exhibit 10.7)	03/19/2024	001-37566
10.8	<a href="#">Non-Employee Director Compensation Program.</a>		8-K (Exhibit 10.1)	01/31/2020	001-37566
10.9	<a href="#">Form of Indemnification Agreement between the Company and each of its directors and officers</a>		S-1/A (Exhibit 10.13)	09/11/2015	333-206544
10.10#	<a href="#">Separation Agreement by and between Synlogic, Inc. and Antoine Awad, dated as of December 17, 2024</a>		10-K (Exhibit 10.10)	03/06/2025	001-37566
10.11#	<a href="#">Consulting Agreement by and between Synlogic, Inc. and Antoine Awad, dated as of December 17, 2024</a>		10-K (Exhibit 10.11)	03/06/2025	001-37566
10.12#	<a href="#">Amended Employment Letter Agreement by and between Synlogic, Inc. and Mary Beth Dooley, dated as of December 19, 2024</a>		10-K (Exhibit 10.12)	03/06/2025	001-37566
10.13#	<a href="#">Separation Agreement by and between Synlogic, Inc. and Aoife M. Brennan, MB, BCh, BAO, MMSc, dated as of February 17, 2024</a>		10-K (Exhibit 10.16)	03/19/2024	001-37566
10.14†	<a href="#">License Agreement by and between Synlogic, Inc. and Synlogic IBDCo, Inc., dated as of July 16, 2015</a>		8-K (Exhibit 10.13)	08/28/2017	001-37566
10.17	<a href="#">Synlogic, Inc. 2015 Employee Stock Purchase Plan, as amended</a>		8-K (Exhibit 10.1)	12/20/2019	001-37566
10.18†	<a href="#">Lease Termination Agreement by and between BMR-Rogers Street LLC and Synlogic, Inc.</a>		10-Q (Exhibit 10.2)	08/08/2024	001-37566
10.19#	<a href="#">Synlogic, Inc. 2025 Equity Incentive Plan</a>		8-K (Exhibit 10.1)	12/15/2025	001-37566
19.1	<a href="#">Synlogic's Insider Trading Policy</a>	X			

Exhibit Number	Exhibit Description	Filed with this Report	Incorporated by Reference herein from Form or Schedule	Filing Date	SEC File/Reg. Number
21.1	<a href="#">Subsidiaries of the registrant</a>	X			
23.1	<a href="#">Consent of Independent Registered Public Accounting Firm</a>	X			
24.1	<a href="#">Power of Attorney (included in the signature page hereto)</a>	X			
31.1	<a href="#">Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a).</a>	X			
31.2	<a href="#">Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a).</a>	X			
32	<a href="#">Certification required by Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350).</a>	X			
97.1	<a href="#">Synlogic's Incentive Compensation Recovery Policy.</a>	X			
101.INS	Inline XBRL Instance Document -- the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.	X			
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents	X			
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)	X			

^ The schedules and exhibits to this exhibit have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the SEC upon request.

# Management contract or compensatory plans or arrangements.

† Portions of this exhibit (indicated by asterisks) have been omitted in accordance with the rules of the SEC.

**Item 16. Form 10-K Summary.**

None.



**Index to Consolidated Financial Statements of Synlogic, Inc.**

<a href="#"><u>Report of Independent Registered Public Accounting Firm (KPMG LLP, Boston, MA, Auditor Firm ID: 185)</u></a>	F-2
<a href="#"><u>Consolidated Balance Sheets</u></a>	F-3
<a href="#"><u>Consolidated Statements of Operations and Comprehensive Loss</u></a>	F-4
<a href="#"><u>Consolidated Statements of Stockholders' Equity</u></a>	F-5
<a href="#"><u>Consolidated Statements of Cash Flows</u></a>	F-6
<a href="#"><u>Notes to Consolidated Financial Statements</u></a>	F-7

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## Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors  
Synlogic, Inc.:

### *Opinion on the Consolidated Financial Statements*

We have audited the accompanying consolidated balance sheets of Synlogic, Inc. and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations and comprehensive loss, stockholders' equity, and cash flows for the years then ended and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

### *Basis for Opinion*

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

### *Critical Audit Matters*

Critical audit matters are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ KPMG LLP

We have served as the Company's auditor since 2015.

Boston, Massachusetts  
March 12, 2026

**SYNLOGIC, INC. AND SUBSIDIARIES**  
Consolidated Balance Sheets  
(In thousands, except share and per share data)

	<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 14,668	\$ 18,860
Prepaid expenses and other current assets	729	830
Assets held for sale	—	86
Total current assets	<u>15,397</u>	<u>19,776</u>
Restricted cash	50	50
Total assets	<u>\$ 15,447</u>	<u>\$ 19,826</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 103	\$ 164
Accrued expenses	915	2,037
Purchase warrant liability	2,566	4,874
Total current liabilities	<u>3,584</u>	<u>7,075</u>
Commitments and contingencies (Note 12)		
Stockholders' equity		
Common stock, \$0.001 par value		
250,000,000 shares authorized as of December 31, 2025 and December 31, 2024;		
11,978,711 shares issued and 11,698,919 shares outstanding as of December 31, 2025 and		
11,975,901 shares issued and 11,696,109 shares outstanding as of December 31, 2024	12	12
Additional paid-in capital	457,025	456,908
Accumulated other comprehensive income	—	—
Accumulated deficit	(442,656)	(441,651)
Treasury stock, at cost (279,792 shares at December 31, 2025 and at December 31, 2024)	(2,518)	(2,518)
Total stockholders' equity	<u>11,863</u>	<u>12,751</u>
Total liabilities and stockholders' equity	<u>\$ 15,447</u>	<u>\$ 19,826</u>

See accompanying notes to the consolidated financial statements.

**SYNOLOGIC, INC. AND SUBSIDIARIES**

Consolidated Statements of Operations and Comprehensive Loss

(In thousands, except share and per share amounts)

	Years Ended December 31,	
	2025	2024
Revenue	\$ —	\$ 8
Operating expenses:		
Research and development	43	9,154
General and administrative	3,489	6,631
Restructuring and other charges	476	25,173
Total operating expenses	4,008	40,958
Loss from operations	(4,008)	(40,950)
Other income (expense):		
Interest and investment income	695	1,425
Change in fair value of purchase warrant liability	2,308	16,173
Other expense	—	(2)
Total other income, net	3,003	17,596
Loss before income taxes	(1,005)	(23,354)
Income tax expense	—	(5)
Net loss	\$ (1,005)	\$ (23,359)
Net loss per share - basic and diluted	\$ (0.08)	\$ (1.92)
Weighted-average common shares - basic and diluted	12,311,909	12,196,209
Comprehensive loss:		
Net loss	\$ (1,005)	\$ (23,359)
Net unrealized loss on marketable securities	—	(6)
Comprehensive loss	\$ (1,005)	\$ (23,365)

See accompanying notes to the consolidated financial statements.

**SYNOLOGIC, INC. AND SUBSIDIARIES**  
Consolidated Statements of Stockholders' Equity  
(In thousands, except share amounts)

	Common stock \$0.001 par value		Additional paid-in capital	Accumulate d other comprehensi ve income (loss)	Accumulate d deficit	Treasury Stock		Total Stockholders' Equity
	Shares	Amount				Shares	Amount	
Balance at December 31, 2023	<u>9,465,949</u>	<u>\$ 10</u>	<u>\$ 453,565</u>	<u>\$ 6</u>	<u>\$ (418,292)</u>	<u>(279,792)</u>	<u>\$ (2,518)</u>	<u>\$ 32,771</u>
Proceeds from issuance of common stock in connection with at-the-market offering, net of issuance costs	7,839	—	22	—	—	—	—	22
Exercise of options	82,293	—	152	—	—	—	—	152
Exercise of pre-funded warrants	2,251,000	2	—	—	—	—	—	2
Issuance of restricted stock	362,700	—	—	—	—	—	—	—
Cancellation of restricted stock	(193,880)	—	—	—	—	—	—	—
Equity-based compensation expense	—	—	3,169	—	—	—	—	3,169
Unrealized loss on securities	—	—	—	(6)	—	—	—	(6)
Net loss	—	—	—	—	(23,359)	—	—	(23,359)
Balance at December 31, 2024	<u>11,975,901</u>	<u>12</u>	<u>456,908</u>	<u>—</u>	<u>(441,651)</u>	<u>(279,792)</u>	<u>(2,518)</u>	<u>12,751</u>
Issuance of restricted stock	30,000	—	—	—	—	—	—	—
Cancellation of restricted stock	(27,190)	—	—	—	—	—	—	—
Equity-based compensation expense	—	—	117	—	—	—	—	117
Net loss	—	—	—	—	(1,005)	—	—	(1,005)
Balance at December 31, 2025	<u>11,978,711</u>	<u>\$ 12</u>	<u>\$ 457,025</u>	<u>\$ —</u>	<u>\$ (442,656)</u>	<u>(279,792)</u>	<u>\$ (2,518)</u>	<u>\$ 11,863</u>

See accompanying notes to the consolidated financial statements.

**SYNOLOGIC, INC. AND SUBSIDIARIES**

Consolidated Statements of Cash Flows

(In thousands)

	Years Ended December 31,	
	2025	2024
<b>Cash flows from operating activities:</b>		
Net loss	\$ (1,005)	\$ (23,359)
<b>Adjustments to reconcile net loss to net cash used in operating activities:</b>		
Depreciation	—	347
Gain on disposal of property and equipment	(81)	(1,160)
Impairment loss on fixed assets	—	5,011
Impairment loss on ROU assets	—	9,571
Gain on lease termination	—	(3,271)
Impairment of prepaid research and development	—	5,219
Equity-based compensation expense	117	3,169
Change in fair value of warrant liability	(2,308)	(16,173)
Accretion/amortization of investment securities	—	(242)
Reduction in carrying amount of operating lease right of use asset	—	948
<b>Changes in operating assets and liabilities:</b>		
Prepaid expenses and other current assets	101	1,033
Prepaid research and development, net of current portion	—	1,906
Accounts payable and accrued expenses	(1,183)	(2,256)
Operating lease liabilities	—	(12,417)
Other assets	—	16
Net cash used in operating activities	<u>(4,359)</u>	<u>(31,658)</u>
<b>Cash flows from investing activities:</b>		
Purchases of marketable securities	—	(1,477)
Proceeds from maturity of marketable securities	—	25,499
Purchases of property and equipment	—	(14)
Proceeds from the sale of property and equipment	167	1,331
Net cash provided by investing activities	<u>167</u>	<u>25,339</u>
<b>Cash flows from financing activities:</b>		
Payments on finance lease obligations	—	(4)
Proceeds from issuance of common stock in connection with at-the-market offering, net of issuance costs	—	22
Proceeds from employee stock purchases and exercise of stock options	—	152
Proceeds from exercise of pre-funded warrants	—	2
Net cash provided by financing activities	<u>—</u>	<u>172</u>
Net decrease in cash, cash equivalents and restricted cash	(4,192)	(6,147)
Cash, cash equivalents and restricted cash at beginning of period	18,910	25,057
Cash, cash equivalents and restricted cash at end of period	<u>\$ 14,718</u>	<u>\$ 18,910</u>
<b>Supplemental disclosure of non-cash investing activities:</b>		
Decrease in right-of-use asset and operating lease liabilities due to lease termination	\$ —	\$ 1,626
Property and equipment sales included in other current assets	\$ —	\$ 2
<b>Supplemental disclosure of non-cash financing activities:</b>		
Cash paid for income taxes	\$ —	\$ 5

See accompanying notes to the consolidated financial statements.

## **SYNOLOGIC, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

#### **(1) Nature of Business**

##### ***Organization***

Synlogic, Inc., together with its wholly owned and consolidated subsidiaries (Synlogic or the Company) is a biopharmaceutical company that previously advanced novel therapeutics to transform the care of serious diseases. The Company focused on rare metabolic disorders, with its lead program, labafenogene marselecobac (SYNB1934), studied in Synpheny-3, a global, pivotal Phase 3 study for patients with phenylketonuria (PKU), and SYNBI353, a potential treatment for homocystinuria (HCU). Both PKU and HCU are caused by inborn errors of metabolism, and present significant need for innovation due to limitations of both efficacy and safety in the currently available medical treatment options. Since incorporation, the Company has devoted substantially all of its efforts to the research and development of its product candidates.

In February 2024, the Company and its board of directors decided to discontinue the Synpheny-3 trial and to conduct a comprehensive review of strategic alternatives. The Company also announced a corporate restructuring that resulted in a reduction in its workforce, leaving one remaining full-time employee. In addition, the Company has engaged consultants, to, among other things, support the strategic review process and current business operations. (see Note 7, *Restructuring and Other Charges*).

##### ***Going Concern and Liquidity***

The Company's consolidated financial statements have been prepared assuming it will continue as a going concern. The going concern assumption contemplates the continuity of operations, and the realization of assets and the satisfaction of liabilities in the ordinary course of business. The Company has historically generated negative cash flows from operations and has an accumulated deficit of \$442.7 million at December 31, 2025. At December 31, 2025, the Company had \$14.7 million in unrestricted cash and cash equivalents. The Company has determined its current cash and cash equivalents as of December 31, 2025 will be sufficient to fund its operations at the current levels for at least the next 12 months from the date of this filing. As the Company continues to review strategic alternatives, the Company will continue to incur costs and expenditures in connection with the process of evaluating strategic alternatives.

##### ***Risks and Uncertainties***

As an early-stage company, the Company is subject to a number of risks common to other life science companies, including, but not limited to, raising additional capital and protection of proprietary technology. The Company may never achieve profitability, and unless and until it does, it will continue to need to raise additional capital or obtain financing from other sources.

#### **(2) Summary of Significant Accounting Policies**

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

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (U.S.) (U.S. GAAP or GAAP).

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

The accompanying consolidated financial statements include the accounts of Synlogic and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

##### ***Use of Estimates***

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the reporting period. On an on-going basis, the Company's management evaluates its estimates, including those related to accrued expenses and contingencies. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which

## SYNOLOGIC, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements (continued)

form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates. Changes in estimates are reflected in reported results in the period in which they become known.

#### **Cash Equivalents**

The Company considers all highly liquid investment instruments with a remaining maturity when purchased of three months or less to be cash equivalents. Investments qualifying as cash equivalents consist of money market funds, including money market funds held in a sweep account. Cash equivalents are stated at cost plus accrued interest, which approximates fair value. The amount of cash equivalents included in cash and cash equivalents was approximately \$14.7 million and \$18.9 million at December 31, 2025 and 2024, respectively.

#### **Concentration of Credit Risk**

Financial instruments that potentially subject the Company to concentrations of credit risk include amounts held as cash, cash equivalents and restricted cash. The Company uses high quality, accredited financial institutions to maintain its balances, and accordingly, such funds are subject to minimal credit risk. The Company has not experienced any losses in such accounts and management believes that the Company is not exposed to significant credit risk due to the financial position of the depository institutions in which those deposits are held. The Company has no financial instruments with off-balance sheet risk of loss.

#### **Fair Value**

The Company is required to disclose information on all assets and liabilities reported at fair value that enables an assessment of the inputs used in determining the reported fair values. Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy for those instruments measured at fair value that distinguishes between assumptions based on market data (observable inputs) and the Company's own assumptions (unobservable inputs). The hierarchy consists of three levels:

- Level 1 – Utilize observable inputs such as quoted prices in active markets for identical assets or liabilities;
- Level 2 – Utilize data points that are either directly or indirectly observable, such as quoted prices, interest rates and yield curves;
- Level 3 – Utilize unobservable data points in which there is little or no market data, which require the Company to develop its own assumptions for the asset or liability.

The Company evaluates transfers between levels at the end of each reporting period. There were no transfers of assets or liabilities between Level 1, Level 2 or Level 3 during the years ended December 31, 2025 and 2024.

#### **Impairment of Long-Lived Assets**

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. When such events occur, the Company compares the carrying amounts of the assets to their undiscounted expected future cash flows. If this comparison indicates that there is impairment, the amount of impairment is calculated as the difference between the carrying value and fair value of the asset. As a result of the corporate restructuring, further discussed in Note 7, *Restructuring and Other Charges*, there were various impairment charges recorded during the year ended December 31, 2024.

#### **Warrants**

The Company accounts for issued warrants either as a liability or equity in accordance with ASC 480-10, *Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity* ("ASC 480-10") or ASC 815-40, *Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock* ("ASC 815-40"). The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the company's own stock and whether the warrant holders could potentially require "net cash settlement" in a circumstance outside of the company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding.

## SYNLOGIC, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements (continued)

Warrants that are equity-classified instruments and recorded in additional paid-in capital at issuance are not subject to remeasurement. The purchase warrants issued in October 2023 are liability classified and recorded at fair value using the Black-Scholes option-pricing model at issuance, with any subsequent changes in fair value recognized in the consolidated statements of operations. The Company periodically evaluates changes in facts and circumstances that could impact the classification of warrants.

#### ***Equity-Based Compensation***

The Company measures equity-based compensation to employees, non-employees and directors based on the grant date fair value of the awards and recognizes the associated expense in the financial statements over the requisite service period of the award, which is generally the vesting period. The fair value of each option and purchase rights under the employee stock purchase plan (ESPP) is estimated on the date of grant using the Black-Scholes option-pricing model. Expected volatility for the Company's common stock is determined based on an average of the historical volatility of the Company and the historical volatility of a peer-group of similar public companies. The expected term of options granted to employees is calculated using the simplified method, which represents the average of the contractual term of the option and the weighted-average vesting period of the option. The expected term of purchase rights for the ESPP is based on the duration of an offering period. The assumed dividend yield is based upon the Company's expectation of not paying dividends in the foreseeable future. The risk-free interest rate is based upon the U.S. Treasury yield curve commensurate with the expected term at the time of grant or remeasurement. Forfeitures are recognized as they occur.

The Company classifies equity-based compensation expense in its consolidated statements of operations and comprehensive loss in the same manner in which the award recipient's payroll costs are classified or in which the award recipients' service payments are classified.

#### ***Income Taxes***

The Company accounts for income taxes using the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the financial statements or in the Company's tax returns. Deferred taxes are determined based on the difference between the financial reporting and tax basis of assets and liabilities using enacted tax rates in effect in the years in which the differences are expected to reverse. Changes in deferred tax assets and liabilities are recorded in the provision for income taxes. The Company assesses the likelihood that its deferred tax assets will be recovered from future taxable income and, to the extent it believes based upon the weight of available evidence, that it is more likely than not that all or a portion of deferred tax assets will not be realized, a valuation allowance is established through a charge to income tax expense. Potential for recovery of deferred tax assets is evaluated by estimating the future taxable profits expected and considering prudent and feasible tax planning strategies.

Uncertain tax positions represent tax positions for which reserves have been established. The Company accounts for uncertainty in income taxes recognized in the consolidated financial statements by applying a two-step process to determine the amount of tax benefit to be recognized. First, the tax position must be evaluated to determine the likelihood that it will be sustained upon external examination by the taxing authorities. If the tax position is deemed more likely than not to be sustained, the tax position is then assessed to determine the amount of benefit to be recognized in the financial statements. The amount of the benefit that may be recognized is the largest amount that has a greater than 50% likelihood of being realized upon ultimate settlement. The provision for income taxes includes the effects of any resulting tax reserves, or unrecognized tax benefits, that are considered appropriate as well as the related net interest and penalties.

#### ***Net Loss Per Share***

Basic net loss per share is computed using the weighted-average number of shares of common stock outstanding during the period. Diluted net loss per share is computed using the sum of the weighted-average number of shares of common stock outstanding during the period and if dilutive, the weighted-average number of potential shares of common stock, including unvested restricted common stock, outstanding stock options and potential shares issuable under the ESPP.

#### ***Segment Information***

Operating segments are defined as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company operates in one operating segment: discovery and development of Synthetic Biotics. The Company's principal executive officer, as chief operating decision maker, manages and allocates resources to the operations of the Company on a total company basis. Prior to the corporate restructuring, all of the Company's equipment, leasehold improvements and other fixed

## SYNOLOGIC, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements (continued)

assets were physically located within the United States, and all agreements with its partners were denominated in U.S. dollars, except where noted.

#### *Treasury Stock*

Treasury stock purchases are accounted for under the cost method whereby the entire cost of the acquired stock is recorded as treasury stock.

#### *Recently Issued and Adopted Accounting Pronouncements*

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (FASB) or other accounting standard setting bodies that the Company adopts as of the specified effective date. Unless otherwise discussed below, recently issued pronouncements that are or will be applicable to the Company did not have, or are not expected to have, a material impact on its present or future consolidated financial statements or disclosures.

In December 2023, the Financial Accounting Standards Board, or FASB, issued Accounting Standards Update, or ASU, 2023-09, Income Taxes (Topics 740): Improvements to Income Tax Disclosures, to enhance the disclosure requirements for income taxes. Upon adoption, companies will be required to disclose additional specified categories in the rate reconciliation. Companies will also be required to disclose the amount of income taxes paid disaggregated by jurisdiction, among other disclosure requirements. The standard is effective for public business entities for annual periods beginning after December 15, 2024. The Company adopted the standard during our 2025 annual period and included the required disclosures prospectively in Note 11, *Income Taxes*.

#### **(3) Fair Value of Financial Instruments**

The tables below present information about the Company's assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2025 and 2024 and indicate the fair value hierarchy of the valuation techniques the Company utilized to determine such fair value, as described under Note 2, *Summary of Significant Accounting Policies*.

The Company's investment portfolio includes many fixed income securities that do not always trade on a daily basis. As a result, the pricing services used by the Company applied other available information as applicable through processes such as benchmark yields, benchmarking of like securities, sector groupings and matrix pricing to prepare evaluations. In addition, model processes were used to assess interest rate impact and develop prepayment scenarios. These models take into consideration relevant credit information, perceived market movements, sector news and economic events. The inputs into these models may include benchmark yields, reported trades, broker-dealer quotes, issuer spreads and other relevant data.

The Company accounts for issued warrants either as derivative liabilities or as equity instruments depending on the specific terms of the agreement. Warrants that are equity-classified instruments and recorded in additional paid-in capital at issuance are not subject to remeasurement. The purchase warrants issued in October 2023 are liability classified and recorded at fair value using the Black-Scholes option-pricing model at issuance, with any subsequent changes in fair value recognized in the consolidated statements of operations and comprehensive loss. We periodically evaluate changes in facts and circumstances that could impact the classification of warrants. None of the purchase warrants have been exercised since their issuance.

**SYNOLOGIC, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements (continued)**

At December 31, 2025 and 2024, the Company has classified assets and liabilities measured at fair value on a recurring basis as follows (in thousands):

Description	Fair Value Measurements at Reporting Date Using			
	December 31, 2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Money market funds	\$ 14,668	\$ 14,668	\$ —	\$ —
Total	<u>\$ 14,668</u>	<u>\$ 14,668</u>	<u>\$ —</u>	<u>\$ —</u>
Liabilities:				
Purchase warrant liability	\$ 2,566	\$ —	\$ —	\$ 2,566
Total	<u>\$ 2,566</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,566</u>

Description	Fair Value Measurements at Reporting Date Using			
	December 31, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Money market funds	\$ 18,860	\$ 18,860	\$ —	\$ —
Total	<u>\$ 18,860</u>	<u>\$ 18,860</u>	<u>\$ —</u>	<u>\$ —</u>
Liabilities:				
Purchase warrant liability	\$ 4,874	\$ —	\$ —	\$ 4,874
Total	<u>\$ 4,874</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 4,874</u>

Cash equivalents, prepaid expenses and other current assets, accounts payable and accrued expenses at December 31, 2025 and December 31, 2024 are carried at amounts that approximate fair value due to their short-term maturities.

*Assumptions Used in Determining Fair Value of Warrants*

The assumptions used in the Black-Scholes option-pricing model for the purchase warrants on the consolidated balance sheets at December 31, 2025 and December 31, 2024 are included below:

	December 31, 2025	December 31, 2024
Expected Term	2.75	3.75
Weighted-average, risk free interest rate	3.5%	4.3%
Expected volatility	89.4%	90.0%
Dividend yield	—	—
Strike price	\$ 3.41	\$ 3.41
Stock price	\$ 1.12	\$ 1.40

**(4) Assets Held for Sale, Property and Equipment**

Assets held for sale are summarized as follows (in thousands):

	December 31, 2025	December 31, 2024
Laboratory equipment	\$ —	\$ 86
Assets held for sale	<u>\$ —</u>	<u>\$ 86</u>

**SYNLOGIC, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements (continued)**

In February 2024, the Company committed to a plan to sell its remaining lab equipment and engaged a third party to assist with the auction, which was completed during the second quarter of 2025, and resulted in proceeds of \$0.2 million and a \$0.08 million gain on disposal of assets held for sale during the year ended December 31, 2025. The assets held for sale were reported at the lower of the carrying amount or fair value, less costs to sell. During the year ended December 31, 2024, there were impairment charges of \$0.8 million incurred related to the lab equipment classified as assets held for sale, which was included in restructuring and other charges. The auction resulted in proceeds of \$1.3 million and a \$1.2 million gain on disposal of lab equipment during the year ended December 31, 2024.

Depreciation expense on property and equipment was \$0.0 million and \$0.3 million in 2025 and 2024, respectively.

**(5) Prepaid Expenses and Other Current Assets**

Prepaid expenses and other current assets consist of the following (in thousands):

	December 31, 2025	December 31, 2024
Prepaid insurance	\$ 566	\$ 517
Prepaid research and development	—	128
Other prepaid expenses	115	110
Other current assets	48	75
<b>Total prepaid expenses and other current assets</b>	<b>\$ 729</b>	<b>\$ 830</b>

**(6) Accrued Expenses**

Accrued expenses consist of the following (in thousands):

	December 31, 2025	December 31, 2024
Payroll related	\$ 11	\$ 126
Professional fees	95	205
Restructuring costs	748	1,656
Other	61	50
<b>Total accrued expenses</b>	<b>\$ 915</b>	<b>\$ 2,037</b>

**(7) Restructuring and Other Charges**

In February 2024, the Company and its board of directors decided to discontinue the Synpheny-3 trial and as a result are currently evaluating strategic options for the Company with a goal to enhance stockholder value, including the possibility of a merger or sale of the Company.

The Company also announced a corporate restructuring that included a reduction in its workforce, leaving one remaining full-time employee. In addition, the Company has engaged consultants, to, among other things, support the strategic review process and current business operations. In connection with the corporate restructuring, the Company recorded restructuring charges for severance and related costs of \$0.24 million and \$6.2 million during the years ended December 31, 2025 and December 31, 2024, respectively. The Company also executed consulting agreements during the year ended December 31, 2024, with a select number of former employees in which their equity continues to vest under the terms of the original award. The consulting services were determined to be non-substantive and as a result, the Company has accelerated the related stock compensation expense. There was no acceleration of stock compensation expense for the year ended December 31, 2025 and there was \$2.4 million of stock compensation included in restructuring charges for the year ended December 31, 2024.

Restructuring and other charges also included gains on equipment sales of \$0.08 million and \$1.2 million during the years ended December 31, 2025 and December 31, 2024, respectively. For the year ended December 31, 2024, restructuring and other charges also

## SYNLOGIC, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements (continued)

included impairment of the right-of-use assets associated with the Company's leased spaces of \$9.6 million and impairment of property and equipment of \$5.0 million.

In connection with the corporate restructuring, on June 26, 2024 (the "Termination Date"), the Company entered into a Lease Termination Agreement (the "Termination Agreement") for its corporate headquarters in Cambridge, Massachusetts, with the landlord which, effective immediately, terminated the lease. In exchange for the early termination of the lease pursuant to the Termination Agreement, the Company made a total termination payment of \$10.6 million, of which \$1.0 million was from a letter of credit associated with the lease. The Company also recorded a gain on lease termination, associated with its former headquarters, of \$3.2 million, for the year ended December 31, 2024.

Other charges relating to the restructuring include a \$5.2 million charge to impairment for prepaid research and development in relation to the Ginkgo collaboration (See Note 11, *Collaboration Agreements*, in the audited financial statements included in the 2024 Annual Report) for the year ended December 31, 2024. Additionally, there were charges of \$0.32 million and \$1.2 million recorded during the years ended December 31, 2025 and December 31, 2024, respectively, related to the restructuring including legal fees, banking fees and lab decommissioning fees.

As of December 31, 2025, approximately \$0.75 million of the total restructuring charges remain unpaid and were included in accrued restructuring charges. These charges primarily consist of personnel costs related to severance expense and retention bonuses.

#### (8) Stockholders' Equity

##### *Rights Plan*

On February 20, 2024, the Board of Directors of the Company declared a dividend of one preferred share purchase right (a "Right"), payable on March 1, 2024, for each share of common stock of the Company outstanding on March 1, 2024 to the stockholders of record on that date and for certain warrants to purchase Common Stock outstanding on March 1, 2024. In connection with the distribution of the Rights, the Company entered into a Rights Agreement, dated as of February 20, 2024, between the Company and Equiniti Trust Company LLC, as rights agent (the "Rights Agreement").

Each Right entitles the registered holder to purchase from the Company one one-thousandth of a share of Series A Junior Participating Preferred Stock, par value \$0.001 per share, of the Company (the "Series A Preferred Stock") at a price of \$12.00 per one one-thousandth of a share of Series A Preferred Stock represented by a Right (the "Purchase Price"), subject to adjustment.

The Rights were determined to have no value upon issuance and expired on February 20, 2025.

##### *October 2023 Financing*

On October 3, 2023, the Company issued and sold, through an underwritten public offering:

- 3,921,928 shares of its common stock at a price of \$2.84 per share less underwriting discounts and commissions;
- pre-funded warrants to purchase up to 3,472,435 shares of its common stock at a price of \$2.839 immediately following the consummation of the offering, and;
- accompanying common stock warrants to purchase up to 7,394,363 shares of its common stock at a price of \$3.408 per share exercisable immediately after issuance and expires five years from the date of issuance.

Each share of its common stock and each pre-funded warrant was sold together with a common warrant to purchase one share of its common stock. A holder of pre-funded warrants may not exercise the warrant if the holder, together with its affiliates, would beneficially own more than 4.99% (or, upon election by a holder prior to the issuance of any warrants, 9.99%) of the number of shares of common stock outstanding immediately after giving effect to such exercise. The net proceeds to the Company from the sale of common stock and pre-funded warrants through the offering, after deducting the underwriting discounts and commissions and offering expenses payable by the Company, were approximately \$19.6 million.

The common stock and pre-funded warrants met the criteria for equity classification. The purchase warrants met the definition of a derivative instrument. Accordingly, upon issuance, the purchase warrants were recorded as a liability at fair value using the Black-Scholes option-pricing model in the amount of \$13.4 million. Any subsequent changes in fair value of the purchase warrants is recognized in the consolidated statements of operations. The residual proceeds were allocated between the common stock and pre-funded warrants based on their relative fair values at the time of issuance. The amount allocated to the pre-funded warrants was recorded as a component of stockholders' equity within additional paid-in capital.

## SYNLOGIC, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements (continued)

At December 31, 2025, the fair value of the purchase warrants was \$2.6 million. Accordingly, a gain on remeasurement of the purchase warrant liability of \$2.3 million was recorded in the year ended December 31, 2025. Subsequent to their issuance and as of December 31, 2025, 2,920,126 pre-funded warrants have been exercised. None of the purchase warrants have been exercised since their issuance.

#### *Ginkgo Warrants*

In June 2019, the Company issued to Ginkgo Bioworks, Inc. (Ginkgo) 422,718 shares of common stock and accompanying Pre-Funded Warrants (the Pre-Funded Warrants) to purchase up to an aggregate of 169,874 shares of common stock, at a combined purchase price per share and Pre-Funded Warrant of \$135. The Pre-Funded Warrants have an exercise price of \$135 per share, with \$134.85 of such exercise price paid at the closing of the offering. The proceeds, net of issuance costs, were approximately \$79.9 million, \$57.0 million related to the proceeds from sale of the common stock and \$22.9 million related to the proceeds from sale of the Pre-Funded Warrants. The Pre-Funded Warrants may be exercised at any time until all of the Pre-Funded Warrants are exercised in full to the extent that, after giving effect to such issuance after exercise, Ginkgo would not beneficially own in excess of 19.99% of the number of shares of common stock outstanding immediately after giving effect to the issuance. The Pre-Funded Warrants were classified as a component of permanent equity and were recorded at the issuance date using a relative fair value allocation method. The Pre-Funded Warrants are equity classified because they are freestanding financial instruments that are legally detachable and separately exercisable from the equity instruments, are immediately exercisable, do not embody an obligation for the Company to repurchase its shares, and permit the holders to receive a fixed number of common shares upon exercise. In addition, such warrants do not provide any guarantee of value or return. In connection with the issuance to Ginkgo of common stock and Pre-Funded Warrants, the Company expanded its collaboration and entered into an agreement with Ginkgo for the research and development of engineered microbial therapeutic products. As a result of the Company's and its board of directors decision to discontinue the Synpheny-3 trial, the Company would no longer be purchasing services from Ginkgo. None of the Pre-Funded Warrants have been exercised as of December 31, 2025. (See Note 11, *Collaboration Agreements*, in the audited financial statements included in the 2024 Annual Report).

The Company has reserved for future issuance the following shares of common stock related to the potential exercise of warrants, exercise of stock options, and the employee stock purchase plan:

	<u>December 31, 2025</u>
Common stock issuable under pre-funded warrants	552,309
Common stock issuable under purchase warrants	7,394,363
Common stock issuable under Ginkgo pre-funded warrants	169,874
Options exercisable to purchase common stock	203,277
<b>Total</b>	<b><u>8,319,823</u></b>

#### **(9) Equity-based Compensation and Equity Incentive Plans**

##### *Equity Plans*

The Company currently has two active equity plans.

The 2025 Equity Incentive Award Plan (2025 Plan) functions as the primary equity plan for the Company. The 2025 Plan replaced the 2015 Equity Incentive Award Plan (2015 Plan), which terminated on November 10, 2025. The 2025 Plan includes an “evergreen provision” that allows for an annual increase in the number of shares of common stock available for issuance under the 2025 Plan, which annual increase will be added on the first day of each fiscal year of the Company during the period beginning in fiscal year 2026, and ending on the second day of fiscal year 2035, and will be equal to the lesser of (i) four percent of the number of outstanding shares of common stock on such date and an amount determined by the administrator of the 2025 Plan. The 2025 Plan provides for the granting of a variety of stock-based compensation awards, including stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, deferred stock awards, dividend equivalent awards, stock payment awards, performance awards and other stock-based awards.

The 2017 Stock Incentive Plan (the 2017 Plan) provides for the grant of incentive stock options, non-qualified stock options, restricted and unrestricted stock awards and other stock-based awards.

**SYNOLOGIC, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements (continued)**

The Company was formerly utilizing the 2015 Employee Stock Purchase Plan (ESPP), which allowed eligible employees to purchase shares of the Company's common stock at a discount through payroll deductions of up to 15% of their eligible compensation, subject to any plan limitations. Due to the corporate restructuring, the purchases for the ESPP offering periods were cancelled during the years ended December 31, 2024 and December 31, 2025.

As of December 31, 2025, there were an aggregate of 1,038,721 shares available for future grant under the 2025 Plan and the 2017 Plan.

**Stock Options**

There were no stock options issued to employees during the year ended December 31, 2025. The weighted average assumptions used in the Black-Scholes option-pricing model for stock options issued to employees and non-employees under the 2015 Plan and the 2017 Plan, during the year ended December 31, 2024 were:

	<b>Year Ended December 31,</b>
	<b>2024</b>
<b>Employees:</b>	
Expected term	5.6 years
Weighted-average, risk-free interest rate	3.9%
Expected volatility	92.0%
Dividend yield	—

The following table summarizes stock option activity under the 2015 (replaced by the 2025 Plan) and 2017 Plans.

	<b>Stock options outstanding</b>			
	<b>Number of options</b>	<b>Weighted average exercise price</b>	<b>Weighted average remaining contractual term (in years)</b>	<b>Aggregate intrinsic value<sup>(a)</sup> (in thousands)</b>
Outstanding at December 31, 2024	324,983	\$ 11.88	7.0	\$ —
Granted	—	—		—
Exercised	—	—		—
Cancelled/Forfeited	(90,634)	13.29		—
Outstanding at December 31, 2025	234,349	11.34	6.1	\$ —
Vested or expected to vest at December 31, 2025	234,349	\$ 11.34	6.1	\$ —
Exercisable at December 31, 2025	203,277	\$ 13.07	7.0	\$ —

<sup>(a)</sup> The aggregate intrinsic value is calculated as the difference between the exercise price of the options and the fair market value of the underlying common stock for the options that were in the money at December 31, 2025 and 2024. There were no options in the money at December 31, 2025 and December 31, 2024.

The weighted average grant date fair value per share of options granted during the years ended December 31, 2024 was approximately \$3.15. There were no options granted during the year ended December 31, 2025. The total fair value of awards that vested during the years ended December 31, 2025 and 2024 was \$0.6 million and \$1.3 million, respectively.

As of December 31, 2025, there was approximately \$0.02 million of unrecognized share-based compensation for unvested stock option grants which is expected to be recognized over a weighted average period of 0.94 years. The total unrecognized share-based compensation cost will be adjusted for actual forfeitures as they occur.

**Restricted Common Stock**

During the years ended December 31, 2025 and 2024, 30,000 and 362,700 shares of restricted common stock were granted, respectively.

**SYNLOGIC, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements (continued)**

The following table shows restricted common stock activity:

	<b>Restricted stock awards</b>	
	<b>Number of shares</b>	<b>Weighted average grant date fair value (per share)</b>
Unvested at December 31, 2024	194,066	\$ 5.97
Granted	30,000	1.12
Vested	(125,513)	5.22
Forfeited	(27,190)	5.04
Unvested at December 31, 2025	<u>71,363</u>	<u>\$ 5.60</u>

The total fair value of shares that vested during the years ended December 31, 2025 and 2024 was \$0.7 million and \$0.3 million, respectively.

As of December 31, 2025, there was approximately \$0.01 million of unrecognized share-based compensation related to restricted stock awards granted, which is expected to be recognized over a weighted average period of 0.6 years. The total unrecognized share-based compensation cost will be adjusted for actual forfeitures as they occur.

***Employee Stock Purchase Plan***

The ESPP is considered a compensatory plan with the related compensation expense recognized over the six-month offering periods. There was no compensation expense for the year ended December 31, 2025. The compensation expense for the year ended December 31, 2024 was \$(0.02) million due to the reversal of the expense as a result of the corporate restructuring and subsequent cancellation of the ESPP purchase in the first quarter of 2024.

***Equity Compensation***

The Company has recorded total equity-based compensation expense of approximately \$0.1 million and \$3.2 million, during the years ended December 31, 2025 and 2024, respectively. Equity compensation during the years ended December 31, 2025 and 2024 is derived from stock options, restricted stock awards, and the ESPP.

The following table summarizes equity-based compensation expense within the Company's consolidated statements of operations and comprehensive loss for the years ended December 31, 2025 and 2024 (in thousands):

	<b>Years Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
Research and development	\$ —	\$ 232
General and administrative	117	570
Restructuring charges: expense acceleration	—	2,367
	<u>\$ 117</u>	<u>\$ 3,169</u>

The following table summarizes equity-based compensation expense by type of award for the years ended December 31, 2025 and 2024 (in thousands):

	<b>Years Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
Stock options	\$ 41	\$ 2,064
Restricted stock awards	76	1,127
ESPP	—	(22)
	<u>\$ 117</u>	<u>\$ 3,169</u>

**SYNOLOGIC, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements (continued)**

**(10) Net Loss per Share**

The following table sets forth the computation of basic and diluted net loss per share (in thousands, except for share and per share amounts):

	Years Ended December 31,	
	2025	2024
Numerator:		
Net loss	\$ (1,005)	\$ (23,359)
Denominator:		
Weighted-average common shares outstanding - basic and diluted	12,311,909	12,196,209
Net loss per share - basic and diluted	\$ (0.08)	\$ (1.92)

The Company's potentially dilutive shares, which include purchase warrants, outstanding stock options, unvested restricted common stock and potential shares issuable under the ESPP, are considered to be common share equivalents and are only included in the calculation of diluted net loss per share when their effect is dilutive.

The following potential common shares, presented based on amounts outstanding at each period end, were excluded from the calculation of the diluted net loss per share attributable to common stockholders for the period indicated because including them would have had an anti-dilutive effect.

	As of December 31,	
	2025	2024
Purchase warrants	7,394,363	7,394,363
Unvested restricted common stock awards	71,363	194,066
Outstanding options to purchase common stock	234,349	324,983
Potential shares issuable under the ESPP	—	—
	<u>7,700,075</u>	<u>7,913,412</u>

**(11) Income Taxes**

During the years ended December 31, 2025 and 2024, the Company recorded no income tax benefits for the net operating losses incurred due to its uncertainty of reclaiming a benefit for those losses.

Deferred taxes are recognized for temporary differences between the basis of assets and liabilities for financial statement and income tax purposes. Deferred tax assets consist of the following (in thousands):

	December 31,	
	2025	2024
Deferred tax assets:		
Net operating loss carryforwards	\$ 108,888	\$ 102,145
Tax credit carryforwards	10,926	10,931
Accrued expenses	210	132
Property and equipment	—	28
Lease liabilities	—	—
Equity compensation	1,089	2,191
Amortizable intangibles	867	984
Amortizable research expenditures <sup>(1)</sup>	12,236	17,958
Other	64	64
Gross deferred tax assets	<u>134,280</u>	<u>134,433</u>
Deferred tax liabilities:		
Right of use assets	—	—
Gross deferred tax liabilities	—	—
Valuation allowance	<u>(134,280)</u>	<u>(134,433)</u>
Net deferred tax assets	<u>\$ —</u>	<u>\$ —</u>

**SYNOLOGIC, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements (continued)**

<sup>(1)</sup> Under the Tax Cuts and Jobs Act (TCJA), research and experimental (R&D) expenditures are capitalized and amortized under section 174 for tax years beginning after December 31, 2021. These costs are amortized for tax purposes over 5 years since the R&D was performed in the U.S. The One Big Beautiful Bill Act (OBBBA) was enacted on July 4, 2025. OBBBA includes modifications to several provisions of TCJA, including reinstating full expensing for domestic R&D expenditures. The Company is considering the OBBBA amendments and transition rules for domestic R&D expenditures that were previously capitalized under TCJA. The unamortized balance of these costs is presented as a deferred tax asset in the table above.

Management of the Company has evaluated the positive and negative evidence bearing upon the realizability of the Company's deferred tax assets, which are comprised principally of net operating loss carryforwards, and determined that it is more likely than not that the Company will not recognize the benefits of the deferred tax assets. As a result, a full valuation allowance of approximately \$134.3 million and \$134.4 million was established at December 31, 2025 and 2024, respectively.

On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act ("OBBBA"). The OBBBA includes significant changes to U.S. tax law, including making permanent certain provisions originally enacted under the Tax Cuts and Jobs Act, such as 100% bonus depreciation, the immediate expensing of domestic research and development costs, and the limitation on the deductibility of business interest expense. The provisions of the OBBBA did not have a material impact on the effective income tax rate.

As further described in Note 2, *Summary of Significant Accounting Policies*, we have elected to prospectively adopt the guidance in ASU 2023-09. The following table is a reconciliation of our effective income tax rate to the statutory federal income tax rate for the year ended December 31, 2025 in accordance with the guidance in ASU 2023-09:

(In thousands, except percentages)

	Year ended December 31, 2025	
	Rate	Tax
U.S. federal statutory rate	21.00%	(209)
State income taxes, net of federal effect	—	—
Tax credits	—	—
Changes in valuation allowances	14.32%	(142)
Nontaxable or nondeductible items		
Stock compensation	(10.39)%	103
Fair market value change of warrant liability	48.74%	(485)
Other	(0.86)%	9
Other adjustments		
Cancelled stock awards	(72.99)%	726
Other	0.18%	(2)
Effective income tax rate	—	—

The following table is a reconciliation of our effective income tax rate to the statutory federal income tax rate for the year ended December 31, 2024 in accordance with the guidance prior to the adoption of ASU 2023-09:

**SYNOLOGIC, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements (continued)**

	<u>2024</u>
	<u>Tax Rate</u>
U.S. federal statutory rate	21%
State income taxes, net of federal benefit	9%
Other permanent differences	9%
Tax credits	2%
Other items	(1)%
Net change in valuation allowance	(40)%
Effective income tax rate	—

The Company's cash paid for income taxes, net of refunds received, consisted of the following for the year ended December 31, 2025 (in thousands):

	<u>2025</u>
Federal	\$ —
Massachusetts	11
Total	\$ 11

A roll-forward of the valuation allowance for the years ended December 31, 2025 and 2024 is as follows (in thousands):

	<u>Years ended December 31,</u>	
	<u>2025</u>	<u>2024</u>
Balance at beginning of year	\$ (134,433)	\$ (125,055)
Increase in valuation allowance	153	(9,378)
Balance at end of year	\$ (134,280)	\$ (134,433)

As of December 31, 2025, the Company had federal net operating loss carryforwards that may be available to reduce future taxable income of \$401.8 million. Of the \$401.8 million of federal net operating loss carryforwards, \$62.4 million will expire on various dates from 2034 to 2037. The remaining \$339.4 million of federal net operating loss carryforwards do not expire. The Company also had state net operating loss carryforwards that may be available to reduce future taxable income of \$387.9 million for the period ended December 31, 2025. The state net operating loss carryforwards begin to expire in 2029. In addition, as of December 31, 2025, the Company had federal and state research and development tax credit carryforwards available to reduce future tax liabilities of \$7.5 million and \$4.4 million, respectively.

Pursuant to Section 382 of the Internal Revenue Code of 1986 (IRC), certain substantial changes in the Company's ownership may result in a limitation on the amount of net operating loss (NOL) carryforwards and research and development credit (R&D credit) carryforwards that may be used in future years. Utilization of the NOL and R&D credit carryforwards may be subject to a substantial annual limitation under Section 382 of the IRC due to ownership change limitations that have occurred previously or that could occur in the future. These ownership changes may limit the amount of NOL and R&D credit carryforwards that can be utilized annually to offset future taxable income and tax. The Company has not completed a study to assess whether an ownership change has occurred, or whether there have been multiple ownership changes since its formation, due to the significant complexity and related costs associated with such a study. There could be additional ownership changes in the future that may result in additional limitations on the utilization of NOL carryforwards and credits.

The Company is required to determine whether a tax position of the Company is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. For tax positions meeting the more likely than not threshold, the tax amount recognized in the financial statements is reduced by the largest benefit that has a greater than fifty percent likelihood of being realized upon the ultimate settlement with the relevant taxing authority. The Company has not recognized any liability for unrecognized tax benefits as of December 31, 2025. The Company's policy is to record interest and penalties related to unrecognized tax benefits on the income tax expense line in the consolidated statement of operations. There are no interest or penalties accrued at December 31, 2025 and 2024.

The Company files tax returns, on an entity-level basis, as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by federal and state jurisdictions, where applicable. There are currently no pending tax examinations. Tax years from 2021 to the present are open to examination under the statute. The Company's

**SYNLOGIC, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements (continued)**

net operating losses and other attributes generated in a closed tax year may still be adjusted to determine the amount of carryforward deduction available in an open year under examination.

**(12) Commitments and Contingencies**

In the ordinary course of business, the Company may be subject to legal proceedings, claims and litigation as the Company operates in an industry susceptible to patent legal claims. The Company accounts for estimated losses with respect to legal proceedings and claims when such losses are probable and estimable. Legal costs associated with these matters are expensed when incurred. The Company is not currently a party to any material legal proceedings.

**(13) Employee Benefits**

The Company has a defined contribution 401(k) plan for eligible employees. Employees are eligible to participate in the plan beginning on their date of hire. Under the terms of the plan, employees may make voluntary contributions as a percentage of compensation. The Company started to match employee contributions effective January 1, 2019. The Company matched 50% of the employee contributions to the 401(k) plan up to a maximum of 4% of the participating employee's eligible earnings, resulting in a maximum company match of 2% of the participating employee's eligible earnings, and subject to certain additional statutory dollar limitations. In 2021, the Company increased the match to 50% of the employee contributions up to a maximum of 6% of the participating employee's eligible earnings, resulting in a maximum company match of 3% of the participating employee's eligible earnings, and subject to certain additional statutory dollar limitations. For the years ended December 31, 2025 and 2024, the Company made \$0.02 million and \$0.09 million contributions to the plan, respectively.

**(14) Segment Information**

Operating segments are defined as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker (CODM) or decision-making group, in making decisions on how to allocate resources and assess performance. The principal executive officer (PEO) is the CODM. The Company operates in one operating segment; discovery and development of Synthetic Biotics.

The CODM manages and allocates resources to the operations of the Company on a total company basis by assessing the overall level of resources available and how to best deploy these resources across functions and research and development projects that are in line with long-term company-wide strategic goals. In making these decisions, the PEO uses consolidated financial information for purposes of evaluating performance, forecasting future period financial results, allocating resources and setting incentive targets. The CODM performs this assessment based on the Company's consolidated net income (loss) that is reported on the consolidated statements of operations and comprehensive loss. Through this analysis, the CODM assesses performance by comparing actual consolidated net income (loss) versus the budget, and then decides how to allocate resources to invest in the Company's research and development programs. The measure of segment assets is reported on the consolidated balance sheets as total assets. In addition, research and development, general and administrative expenses, and restructuring charges are significant segment expenses regularly provided to the PEO with the following categories:

***Research and Development***

	Years Ended December 31,	
	(in thousands)	
	2025	2024
Clinical research and external costs	\$ 50	\$ 4,059
Facility and all other costs	—	3,116
Compensation and benefits	(7)	1,979
Total research and development expense	\$ 43	\$ 9,154

**SYNOLOGIC, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements (continued)**

***General and Administrative***

	Years Ended December 31,	
	(in thousands)	
	2025	2024
Consulting and professional services	\$ 2,720	\$ 3,813
Compensation and benefits	544	1,964
Facility and all other costs	225	854
Total general and administrative expense	\$ 3,489	\$ 6,631

***Restructuring Charges***

	Years Ended December 31,	
	(in thousands)	
	2025	2024
Facility and all other costs	\$ (80)	\$ 15,497
Compensation and benefits	232	8,629
Consulting and professional services	341	725
Clinical research and external costs	(17)	322
Total restructuring charges	\$ 476	\$ 25,173



**INSIDER TRADING POLICY**

**Updated June 2023**

**1. BACKGROUND AND PURPOSE**

1.1 Why Have We Adopted This Policy?

The federal securities laws prohibit any member of the Board of Directors (a “Director”) or employee of the Company (including its subsidiaries) from purchasing or selling Company securities on the basis of material non-public information concerning the Company, or from tipping material non-public information to others. These laws impose severe sanctions on individuals who violate them. In addition, the SEC has the authority to impose large fines on the Company and on the Company’s Directors, executive officers and controlling stockholders if the Company’s employees engage in insider trading and the Company has failed to take appropriate steps to prevent it (so-called “controlling person” liability).

This insider trading policy is being adopted in light of these legal requirements, and with the goal of helping:

- prevent inadvertent violations of the insider trading laws;
- avoid embarrassing proxy disclosure of reporting violations by persons subject to Section 16 of the Securities Exchange Act of 1934 (the “Exchange Act”);
- avoid even the appearance of impropriety on the part of those employed by, or associated with, the Company;
- protect the Company from controlling person liability; and
- protect the reputation of the Company, its Directors and its employees.

As detailed below, this policy applies to family members and certain other persons and entities with whom Directors, employees, and consultants have relationships. However, nothing in this policy is applicable to transactions by the Company itself.

1.2 What Type of Information Is “Material”?

Information concerning the Company is considered material if there is a substantial likelihood that a reasonable stockholder would consider the information important in making an investment decision with respect to the Company’s securities. Stated another way, there must be a substantial likelihood that a reasonable stockholder would view the information as having significantly altered the “total mix” of information available about the Company. Material

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information can include positive or negative information about the Company. Information concerning any of the following subjects, or the Company's plans with respect to any of these subjects, would often be considered material:

- the Company's revenues or earnings;
- information related to the results of clinical trials;
- communications sent to or received from the U.S. Food and Drug Administration or the European Medicines Agency or other similar regulatory agencies;
- negotiation or execution of any significant new agreement, or changes to an existing agreement;
- a significant merger or acquisition involving the Company;
- a change in control of the Company;
- a significant change in the management or the Board of Directors of the Company;
- a significant cybersecurity incident;
- the public or private sale of a significant amount of securities of the Company;
- the Company's decision to commence or terminate the payment of cash dividends;
- the establishment of a stock repurchase program;
- a stock split;
- a default on outstanding debt or preferred stock;
- a bankruptcy filing;
- a new product release or a significant development, invention or discovery;
- the loss, delay or gain of a significant contract, sale or order or other important development regarding customers or suppliers;
- a conclusion by the Company or a notification from its independent auditor that any of the Company's previously issued financial statements should no longer be relied upon;
- a change in the Company's independent auditor; or
- other items that require the filing of a Current Report on Form 8-K with the SEC.

This list is illustrative only and is not intended to provide a comprehensive list of circumstances that could give rise to material information. In determining whether information is material, the SEC and other regulators will view the information after-the-fact with the benefit of hindsight. As a result, in determining whether any information is material, the Company will, and any Covered Person (as defined below) considering a trade in Company securities should, carefully consider whether regulators and others might view the information as being material in hindsight, with the benefit of all relevant information that later becomes available. For example, if there is a significant change in the Company's stock price following release of certain information, that information will likely be determined to have been material when viewed with the benefit of hindsight.

### 1.3 When Is Information “Non-public”?

Information concerning the Company is considered non-public if it has not been disseminated in a manner making it available to investors generally.

Information will generally be considered non-public unless (1) the information has been disclosed in a press release, in a public filing made with the Securities and Exchange Commission (such as a Report on Form 10-K, Form 10-Q, or Form 8-K, through a news wire service or daily newspaper of wide circulation or, in some circumstances, on the Company's website, and (2) a sufficient amount of time has passed so that the information has had an opportunity to be digested by the marketplace.

## 2. **PROHIBITIONS RELATING TO TRANSACTIONS IN THE COMPANY'S SECURITIES**

2.1 Covered Persons. This Section 2 applies to:

- all Directors;
- all employees;
- all consultants;
- all family members of Directors, employees, and consultants who share the same address as, or are financially dependent on, the Director, employee, or consultant and any other person who shares the same address as the Director, employee or consultant (other than (x) an employee or tenant of the Director, employee, or consultant or (y) another unrelated person whom the Chief Financial Officer determines should not be covered by this policy); and
- all corporations, partnerships, trusts or other entities controlled by any of the above persons, unless the entity has implemented policies or procedures designed to ensure that such person cannot influence transactions by the entity involving Company securities.

2.2 Prohibition on Trading While Aware of Material Non-public Information.

(a) Prohibited Activities. Except as provided in Section 4, no person or entity covered by Section 2 may:

- purchase, sell or donate any securities of the Company while he or she is aware of any material non-public information concerning the Company or recommend to another person that they do so;
- disclose to any other person any material non-public information concerning the Company if such person may misuse that information, such as by purchasing or selling Company securities or tipping that information to others;
- purchase, sell or donate any securities of another company while he or she is aware of any material non-public information concerning such other company which he or she learned in the course of his or her service as a Director, employee, or consultant of the Company or recommend to another person that they do so; or
- disclose to any other person any material non-public information concerning another company which he or she learned in the course of his or her service as a Director, employee, or consultant of the Company if such person may misuse that information, such as by purchasing or selling securities of such other company or tipping that information to others.

(b) Application of Policy After Cessation of Service. If a person ceases to be a Director, employee, or consultant of the Company at a time when he or she is aware of material non-public information concerning the Company, the prohibition on purchases, sales or donations of Company securities in Section 2.2(a) shall continue to apply to such person until that information has become public or is no longer material.

2.3Prohibition on Pledges. No person or entity covered by this Section 2 may at any time purchase Company securities on margin, borrow against Company securities held in a margin account, or pledge Company securities as collateral for a loan. However, an exception may be granted where a person wishes to pledge Company securities as collateral for a loan (other than a margin loan) and clearly demonstrates the financial capacity to repay the loan without resort to the pledged securities. Any person who wishes to pledge Company securities as collateral for a loan must submit a request for approval to the Chief Financial Officer. In addition, any such request by a Director or executive officer of the Company must also be reviewed and approved by the Audit Committee of the Board of Directors.

2.4Prohibition on Short Sales and Derivative Transactions. No person or entity covered by this Section 2 may engage at any time in any of the following types of transactions:

- short sales of Company securities, including short sales “against the box”;

- purchases or sales of puts, calls or other derivative securities based on the Company's securities; or
- purchases of financial instruments (including prepaid variable forward contracts, equity swaps, collars and exchange funds) that are designed to hedge or offset any decrease in the market value of Company securities.

2.5 Personal or Independent Reasons Are Not Exceptions. Transactions in the Company's securities that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure) are no exception. Even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct.

### **3. ADDITIONAL PROHIBITIONS APPLICABLE TO DIRECTORS, EXECUTIVE OFFICERS AND DESIGNATED EMPLOYEES**

3.1 Covered Persons. Section 3 applies to:

- all Directors;
- all executive officers;
- such other employees or consultants as are designated from time to time by the Board of Directors, the Chief Executive Officer or the Chief Financial Officer as being subject to this Section 3 (the "Designated Employees");
- all family members of Directors, executive officers and Designated Employees who share the same address as, or are financially dependent on, the Director, executive officer or Designated Employee and any other person who shares the same address as the Director, executive officer or Designated Employee (other than (x) an employee or tenant of the Director, executive officer or Designated Employee or (y) another unrelated person whom the Chief Financial Officer determines should not be covered by this policy); and
- all corporations, partnerships, trusts or other entities controlled by any of the above persons, unless the entity has implemented policies or procedures designed to ensure that such person cannot influence transactions by the entity involving Company securities.

3.2 Blackout Periods.

(a) Regular Blackout Periods. Except as provided in Section 4, no person or entity covered by this Section 3 may purchase, sell or donate any securities of the Company during the period beginning two business days prior to the end of each fiscal quarter and ending upon the completion of the second full trading day after the public announcement of earnings for such quarter (a "regular blackout period").

(b) Corporate News Blackout Periods. The Company may from time to time notify Directors, executive officers and other specified employees or consultants that an additional blackout period (a “corporate news blackout period”) is in effect in view of significant events or developments involving the Company. In such event, except as provided in Section 4, no such individual may purchase, sell or donate any securities of the Company during such corporate news blackout period or inform anyone else that a corporate news blackout period is in effect. (In this policy, regular blackout periods and corporate news blackout periods are each referred to as a “blackout period.”)

### 3.3 Notice and Pre-Clearance of Transactions.

(a) Pre-Transaction Clearance. No person or entity covered by this Section 3 (a “Pre-Clearance Person”) may purchase or sell or otherwise acquire or dispose of securities of the Company, other than in a transaction permitted under Section 4, unless such person pre-clears the transaction with the Chief Financial Officer. A request for pre-clearance shall be made in accordance with the procedures established by the Chief Financial Officer. The Chief Financial Officer shall have sole discretion to decide whether to clear any contemplated transaction. Neither the Company nor the Chief Financial Officer or his or her designee shall be liable for any delays that may occur due to the pre-clearance process. All trades that are pre-cleared must be effected within five business days of receipt of the pre-clearance unless a specific exception has been granted by the Chief Financial Officer. A pre-cleared trade (or any portion of a pre-cleared trade) that has not been effected during the five business day period must be pre-cleared again prior to execution. Notwithstanding receipt of pre-clearance, if the Pre-Clearance Person becomes aware of material non-public information or becomes subject to a blackout period before the transaction is effected, the transaction may not be completed.

**Please note that pre-clearance does not provide immunity from investigation or suit, for which it is the responsibility of the individual to comply with federal securities regulations.**

(b) Post-Transaction Notice. Each person or entity covered by this Section 3 who is subject to reporting obligations under Section 16 of the Exchange Act shall also notify the Chief Financial Officer (or his or her designee) of the occurrence of any purchase, sale or other acquisition or disposition of securities of the Company as soon as possible following the transaction, but in any event within one business day after the transaction. Such notification may be oral or in writing (including by email) and should include the identity of the covered person, the type of transaction, the date of the transaction, the number of shares involved and the purchase or sale price.

(c) Deemed Time of a Transaction. For purposes of this Section 3.3, a purchase, sale or other acquisition or disposition shall be deemed to occur at the time the person becomes irrevocably committed to it (for example, in the case of an open market purchase or sale, this occurs when the trade is executed, not when it settles).

## 4. EXCEPTIONS

4.1 Exceptions. The prohibitions in Sections 2.2(a) and 3.2 on purchases, sales and donations of Company securities do not apply to:

- Except as provided in Section 4.2 below<sup>1</sup>, exercises of stock options or other equity awards or the surrender of shares to the Company in payment of the exercise price or in satisfaction of any tax withholding obligations, in each case in a manner permitted by the applicable equity award agreement; provided, however, that the securities so acquired may not be sold (either outright or in connection with a “cashless” exercise transaction through a broker) while the Director, employee, or consultant is aware of material non-public information or, in the case of someone who is subject to Section 3, during a blackout period;
- acquisitions or dispositions of Company common stock under the Company’s 401(k) or other individual account plan that are made pursuant to standing instructions not entered into or modified while the Director, employee, or consultant is aware of material non-public information or, in the case of someone who is subject to Section 3, during a blackout period;
- other purchases of securities from the Company (including purchases under the Company’s Employee Stock Purchase Plan) or sales of securities to the Company;
- bona fide gifts, unless the Director, employee, or consultant making the gift has reason to believe that the recipient intends to sell the securities while such Director, employee, or consultant is aware of material non-public information or, if such Director, employee, or consultant is subject to Section 3, during a blackout period applicable to such Director, employee, or consultant; and
- transactions pursuant to Section 4.3, below.

4.2 Rule 10b5-1 Trading Plans. Nothing in this policy is intended to limit the ability to effect transactions in the Company’s securities pursuant to approved trading plans established under Rule 10b5-1 of the Exchange Act (“Trading Plans”), which may include transactions during prohibited periods. A Trading Plan must be approved by the Chief Financial Officer or their designee and meet the requirements of Rule 10b5-1 and the following requirements and guidelines:

- *Adoption*. Since adopting a plan is tantamount to an investment decision, the Trading Plan may be adopted only during an open trading window when both (a) transactions in Company securities are otherwise permitted under this Policy and (b) the person or entity adopting such plan does not possess any material non-public information. Disclosure regarding the plan’s adoption may, at the Company’s discretion, be made through a press release or Current Report on Form 8-K.

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<sup>1</sup> Note that this is meant to clarify that the restrictions on 10b5-1 plans related to sales made to cover taxes in connection with the exercise of stock options remains applicable.

- *Cooling-Off Period.* A director or officer of the Company may not adopt a Trading Plan unless the Trading Plan provides that trading under the plan will not begin until the later of (a) 90 days after the adoption of the Trading Plan or (b) two business days following the disclosure of the Company’s financial results in a Form 10-Q or Form 10-K for the completed fiscal quarter in which the Trading Plan was adopted (provided, however, that the required cooling-off period shall not exceed 120 days after the adoption of the Trading Plan), and Covered Persons other than directors and officers of the Company may not adopt a Trading Plan unless the Trading Plan provides that trading under the plan will not begin until 30 days after the adoption of the Trading Plan (in each case, the “Cooling-Off Period”). The purpose of the Cooling-Off Period is to provide a separation in time between the adoption of the Trading Plan and the commencement of trading under the Trading Plan so as to minimize the ability to benefit from any material non-public information.
- *Plan Modifications.* Plan modifications, even if made prior to receiving material non-public information, may create the perception that the Covered Person is manipulating the plan to benefit from material non-public information, which jeopardizes the good faith element and the availability of the affirmative defense under Rule 10b5-1. Therefore, any modification or change to the amount, price, or timing of the purchase or sale of Company securities (or a modification or change to a written formula or algorithm, or computer program that affects the amount, price, or timing of the purchase or sale of Company securities) underlying a Trading Plan will be deemed a termination of such Trading Plan and the adoption of a new Trading Plan, and such new adoption triggers a new Cooling-Off Period. Any modification to a Trading Plan that does not change the sales or purchase prices or price ranges, the amount of Company securities to be sold or purchased, or the timing of transactions under a Trading Plan (such as an adjustment for stock splits or a change in account information) will not trigger a new Cooling-Off Period. The Covered Person should avoid frequent modifications of Trading Plans because this could raise concern about good faith with respect to the plan. Any modification of a Trading Plan requires the preapproval of the Chief Financial Officer or their designee.
- *Certification.* When adopting or modifying a Trading Plan, each director and officer of the Company is required to include a representation in the Trading Plan certifying that at the time of adoption of a new or modified Trading Plan, the director or officer (a) is not aware of material non-public information about the Company or its securities, and (b) is adopting the Trading Plan in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b-5. Additionally, all Covered Persons entering into a Trading Plan must act in good faith with respect to that Trading Plan during its term.
- *Multiple Overlapping Trading Plans.* Covered Persons are not permitted to have multiple Trading Plans in operation unless permitted by SEC rules and regulations and approved in writing by the Chief Financial Officer or their designee. Covered Persons may not have another outstanding (and may not subsequently enter into any additional) Trading Plan for purchases or sales of Company securities on the open market during the same period except as follows:

- o A series of separate contracts with different broker-dealers or other agents acting on behalf of the Covered Person to execute trades thereunder may be treated as a single Trading Plan provided that the individual constituent contracts with each broker-dealer or other agent, when taken together as a whole, meet all of the applicable conditions of and remain collectively subject to the provisions of Rule 10b5-1(c)(1), including that a modification of any individual Trading Plan acts as modification of the whole Trading Plan.
- o Covered Persons may have one later-commencing Trading Plan for purchases or sales of Company securities on the open market under which trading is not authorized to begin until after all trades under the earlier-commencing Trading Plan are completed or expired without execution, provided, however, that if the first trade under the later-commencing Trading Plan is scheduled during the Effective Cooling-Off Period (as defined below), the later-commencing Trading Plan may not rely upon this exception. The “Effective Cooling-Off Period” means the cooling-off period that would be applicable to the later commencing Trading Plan if the date of adoption of the later-commencing Trading Plan were deemed to be the date of termination of the earlier-commencing Trading Plan.
- o Covered Persons may enter into a Trading Plan that provides for an eligible sell-to-cover transaction, which is a Trading Plan that authorizes an agent to sell only such Company securities as are necessary to satisfy tax withholding obligations arising exclusively from the vesting of a compensatory award, and the Covered Person does not otherwise exercise control over the timing of such sales (“Sell-To-Cover Trading Plan”). This foregoing exception does not apply to sales made to cover taxes in connection with the exercise of stock option awards.
- *Restrictions on Single-Trade Plans.* Covered Persons may not have more than one single-trade Trading Plan during any 12-month period except for Sell-To-Cover Trading Plans. A single-trade Trading Plan is one designed to effect the purchase or sale of securities as a single transaction.
- *Early Plan Terminations.* It is not advisable for Covered Persons to terminate Trading Plans except in unusual circumstances. If a plan is terminated, disclosure regarding such termination may, at the Company’s discretion, be made through a press release or Current Report on Form 8-K. Furthermore, in the event a Covered Person terminates a Trading Plan, the Company requires that the Covered Person be subject to the required Cooling-Off Period before engaging in any new transactions in Company securities or adopting a new Trading Plan. Any early termination of a Trading Plan requires the preapproval of the Chief Financial Officer or their designee.
- *Transactions Outside the Plan.* Covered Persons are strongly advised not to engage in transactions in Company securities outside of Trading Plans once a Trading Plan has been established. Transacting in Company securities outside of a Trading Plan poses numerous risks, including that (a) the Rule 10b5-1 affirmative defense will not apply to

transactions of Company securities made outside of the plan and (b) such transactions could be interpreted as a hedging transaction, which would nullify the affirmative defense. Further, Covered Persons should not sell Company securities that have been designated as Rule 10b5-1 plan securities because any such sale may be deemed a modification of the plan. If the Covered Person is subject to the volume limitations of Rule 144, the sale of Company Securities outside the Rule 10b5-1 Plan could effectively reduce the number of shares that could be sold under the plan, which could be deemed an impermissible modification of the plan.

- *Company Rights.* The Company has the right at any time to require additional and/or different requirements in connection with the modification or termination of a Trading Plan in order to protect the Covered Person and the Company from potential liability. The Company also has the right at any time to require any Covered Person to (a) terminate or suspend a Trading Plan, (b) include additional provisions in a Trading Plan, or (c) delete or amend any existing provisions of a Trading Plan, in each case to the extent reasonably necessary to protect the Covered Person and/or the Company.
- *Quarterly Disclosure of Trading Arrangements.* In accordance with SEC rules and regulations, the Company will disclose in Form 10-Qs and Form 10-Ks whether, during the Company's last fiscal quarter, any director or officer adopted or terminated (a) a Trading Plan for the purchase or sale of Company securities that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or (b) a non-Rule 10b5-1 trading arrangement. In such disclosure, the Company will provide a description of the material terms of such trading arrangement, including the name and title of the director or officer, the date of adoption or termination of the trading arrangement, the duration of the trading arrangement, and the aggregate number of Company securities to be sold or purchased under the trading arrangement.

4.3 Partnership Distributions. Nothing in this policy is intended to limit the ability of a venture capital partnership or other similar entity with which a Director is affiliated to distribute Company securities to its partners, members or other similar persons. It is the responsibility of each affected Director and the affiliated entity, in consultation with their own counsel (as appropriate), to determine the timing of any distributions, based on all relevant facts and circumstances and applicable securities laws.

4.4 Underwritten Public Offering. Nothing in this policy is intended to limit the ability of any person to sell Company securities as a selling stockholder in an underwritten public offering pursuant to an effective registration statement in accordance with applicable securities law.

## **5. REGULATION BTR**

If the Company is required to impose a "pension fund blackout period" under Regulation BTR, each Director and executive officer shall not, directly or indirectly, sell, purchase or otherwise transfer during such blackout period any equity securities of the Company acquired in connection with his or her service as a director or officer of the Company, except as permitted by Regulation BTR.

## **6. INDIVIDUAL RESPONSIBILITY**

Persons subject to this Policy have ethical and legal obligations to maintain the confidentiality of information about the Company and to not engage in transactions in the Company's securities while in possession of material non-public information. Each individual is responsible for making sure that he or she complies with this Policy, and that any related person, whose transactions are subject to this Policy, also comply with this Policy. In all cases, the responsibility for determining whether an individual is in possession of material non-public information rests with that individual, and any action on the part of the Company, the Policy Administrator or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws. Individuals may be subject to legal penalties and disciplinary action by law enforcement officials and/or the Company for any conduct prohibited by this Policy or applicable securities laws, as described in this policy.

**Tipping Information to Others.** Company personnel must not disclose non-public information about the Company to others outside the Company who do not have an obligation to maintain the confidentiality of such information. If the outsider trades on such information, penalties for insider trading may apply in these situations whether or not the insider derives any monetary benefit from the other person's trading activities. Material non-public information is often inadvertently disclosed or overheard in casual, social conversations. Please take care to avoid such disclosures.

**Confidentiality.** Serious problems could be caused for the Company by the unauthorized disclosure of internal information about the Company, whether or not for the purpose of facilitating improper trading in the Company's securities. Company personnel must closely safeguard material non-public information even within the Company, and only share it with colleagues on a need-to-know basis. Company personnel should not discuss internal Company matters or developments (whether or not they think such information is material) with anyone outside of the Company (including, but not limited to, family, friends, business associates, investors and expert consulting firms), except as required in the performance of regular corporate duties. This prohibition applies specifically (but not exclusively) to inquiries about the Company that may be made by the financial press, investment analysts or others in the financial community and also includes posting material non-public information on any social media outlets. It is important that all such communications on behalf of the Company be made only through an authorized officer under carefully controlled circumstances. Unless one is expressly authorized to the contrary, individuals should decline comment in response to inquiries and refer the inquirer to a senior leader.

## **7. PENALTIES FOR VIOLATION**

Violation of any of the foregoing rules is grounds for disciplinary action by the Company, including termination of employment. In addition to any disciplinary actions the Company may take, insider trading can also result in administrative, civil or criminal proceedings which can result in significant fines and civil penalties, being barred from service as an officer or director of a public company, or imprisonment. Even proceedings that do not result in prosecution or damages can tarnish the Company's or an individual's reputation and irreparably damage a career.

## **8. COMPANY EDUCATION AND ASSISTANCE**

8.1 Education. The Company shall take reasonable steps designed to ensure that all Directors and employees of the Company are educated about, and periodically reminded of, the federal securities law restrictions and Company policies regarding insider trading.

8.2 Assistance. The Company shall provide reasonable assistance to all Directors and executive officers, as requested by such Directors and executive officers, in connection with the filing of Forms 3, 4 and 5 under Section 16 of the Exchange Act. However, the ultimate responsibility, and liability, for timely filing remains with the Directors and executive officers.

8.3 Limitation on Liability. None of the Company, the Chief Financial Officer, or the Company's other employees will have any liability for any delay in reviewing, or refusal of, a request to allow a pledge submitted pursuant to Section 2.3, a request for pre-clearance submitted pursuant to Section 3.3(a) or a trading plan submitted pursuant to Section 4.2. Notwithstanding any pre-clearance of a transaction pursuant to Section 3.3(a) or review of a trading plan pursuant to Section 4.2, none of the Company, the Chief Financial Officer, or the Company's other employees assumes any liability for the legality or consequences of such transaction or trading plan to the person engaging in or adopting such transaction or trading plan.

**SUBSIDIARIES OF SYNLOGIC, INC.**

**Subsidiary**

Synlogic Operating Company, Inc.  
Synlogic Securities Corporation

**Jurisdiction**

Delaware  
Massachusetts

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**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in the registration statements (Nos. 333-207299, 333-210466, 333-220841, 333-223798, 333-230224, 333-237104, 333-237105, 333-254688, 333-254689, 333-263629, 333-263630, 333-270925, 333-270926, 333-283165, and 333-283164) on Form S-8, (Nos. 333-233139 and 333-289415) on Form S-3 and (Nos. 333-274421 and 333-274759) on Form S-1 of our report dated March 12, 2026, with respect to the consolidated financial statements of Synlogic, Inc. and subsidiaries.

/s/ KPMG LLP

Boston, Massachusetts  
March 12, 2026

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## CERTIFICATIONS UNDER SECTION 302

I, Mary Beth Dooley, certify that:

1. I have reviewed this annual report on Form 10-K of Synlogic, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) 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: March 12, 2026

By: \_\_\_\_\_  
/s/ MARY BETH DOOLEY  
Mary Beth Dooley  
Principal Executive Officer  
(principal executive officer)







## Incentive Compensation Recovery Policy

### **I. Introduction**

The Board of Directors (the “**Board**”) of Synlogic, Inc. (the “**Company**”) believes that it is in the best interests of the Company and its shareholders to create and maintain a culture that emphasizes integrity and accountability and that reinforces the Company’s pay-for-performance compensation philosophy. The Board has therefore adopted this policy which provides for the recoupment of certain executive compensation in the event of an accounting restatement resulting from material noncompliance with financial reporting requirements under the federal securities laws (the “**Policy**”). This Policy is designed to comply with Section 10D of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) and final rules and amendments adopted by the Securities and Exchange Commission (the “**SEC**”) to implement the aforementioned legislation.

### **II. Administration**

This Policy shall be administered by the Board or, if so designated by the Board, the Compensation Committee, in which case references herein to the Board shall be deemed references to the Compensation Committee. Any determinations made by the Board shall be final and binding on all affected individuals.

### **III. Covered Executives**

This Policy applies to the Company’s current and former executive officers, as determined by the Board in accordance with the requirements of Section 10D of the Exchange Act and any applicable rules or standards adopted by the SEC and any national securities exchange on which the Company’s securities are listed, and such other employees who may from time to time be deemed subject to the Policy by the Board (“**Covered Executives**”).

### **IV. Incentive-Based Compensation**

For purposes of this Policy, incentive-based compensation (“**Incentive-Based Compensation**”) includes any compensation that is granted, earned, or vested based wholly or in part upon the attainment of any financial reporting measures that are determined and presented in accordance with the accounting principles (“**GAAP Measures**”) used in preparing the Company’s financial statements and any measures derived wholly or in part from such measures, as well as non-GAAP Measures, stock price, and total shareholder return (collectively, “**Financial Reporting Measures**”); however, it does not include: (i) base salaries; (ii) discretionary cash bonuses; (iii) awards (either cash or equity) that are based upon subjective, strategic or operational standards; and (iv) equity awards that vest solely on the passage of time. Incentive-Based Compensation is considered received in the fiscal period during which the applicable reporting measure is attained, even if the payment or grant of such award occurs after the end of that period. If an award is subject to both time-based and performance-based vesting conditions, the award is

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considered received upon satisfaction of the performance-based conditions, even if such award continues to be subject to the time-based vesting conditions.

For the purposes of this Policy, Incentive-Based Compensation may include, among other things, any of the following:

- Annual bonuses and other short- and long-term cash incentives.
- Stock options.
- Stock appreciation rights.
- Restricted stock or restricted stock units.
- Performance shares or performance units.

For purposes of this Policy, Financial Reporting Measures may include, among other things, any of the following:

- Company stock price.
- Total shareholder return.
- Revenues.
- Net income.
- Earnings before interest, taxes, depreciation, and amortization (EBITDA).
- Funds from operations.
- Liquidity measures such as working capital or operating cash flow.
- Return measures such as return on invested capital or return on assets.
- Earnings measures such as earnings per share.

#### **V. Recoupment; Accounting Restatement**

In the event the Company is required to prepare an accounting restatement of its financial statements due to the Company's material noncompliance with any financial reporting requirement under U.S. securities laws, including any required accounting restatement to correct an error in previously issued financial statements that (i) is material to the previously issued financial statements or (ii) is not material to previously issued financial statements, but that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period, the Board will require reimbursement or forfeiture of any excess Incentive-Based Compensation received by any Covered Executive during the three completed fiscal years immediately preceding the date on which the Company is required to prepare the accounting restatement (the "**Look-Back Period**"). For the purposes of this Policy, the date on which the Company is required to prepare an accounting restatement is the earlier of: (i) the date the Board concludes or reasonably should have concluded that the Company is required to prepare a restatement to correct a material error, and (ii) the date a court, regulator, or other legally authorized body directs the Company to restate its previously issued financial statements to correct a material error.

Recovery of the Incentive-Based Compensation is only required when the excess award is received by a Covered Executive (i) after the beginning of their service as a Covered Executive and (ii) when that Covered Executive served in such covered position during the Lookback Period.

#### **VI. Excess Incentive Compensation: Amount Subject to Recovery**

The amount of Incentive-Based Compensation subject to recovery is the amount the Covered Executive received in excess of the amount of Incentive-Based Compensation that would have been paid to the Covered Executive had it been based on the restated financial statements, as determined by the Board. The amount subject to recovery will be calculated on a pre-tax basis.

For Incentive-Based Compensation received as cash awards, the erroneously awarded compensation is the difference between the amount of the cash award that was received (whether payable in a lump sum or over time) and the amount that should have been received applying the restated Financial Reporting Measure. For cash awards paid from bonus pools, the erroneously awarded Incentive-Based Compensation is the pro rata portion of any deficiency that results from the aggregate bonus pool that is reduced based on applying the restated Financial Reporting Measure.

For Incentive-Based Compensation received as equity awards that are still held at the time of recovery, the amount subject to recovery is the number of shares or other equity awards received or vested in excess of the number that should have been received or vested applying the restated financial reporting measure. If the equity award has been exercised, but the underlying shares have not been sold, the erroneously awarded compensation is the number of shares underlying the award.

In instances where the Company is not able to determine the amount of erroneously awarded Incentive-Based Compensation directly from the information in the accounting restatement, the amount will be based on the Company's reasonable estimate of the effect of the accounting restatement on the applicable measure. In such instances, the Company will maintain documentation of the determination of that reasonable estimate.

#### **VII. Method of Recoupment**

The Board will determine, in its sole discretion, subject to applicable law, the method for recouping Incentive Compensation hereunder, which may include, without limitation:

- requiring reimbursement of cash Incentive-Based Compensation previously paid;
- seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer, or other disposition of any equity-based awards;
- offsetting the recouped amount from any compensation otherwise owed by the Company to the Covered Executive;
- cancelling outstanding vested or unvested equity awards; and/or
- taking any other remedial and recovery action permitted by law, as determined by the Board.

#### **VIII. No Indemnification; Successors**

The Company shall not indemnify any Covered Executives against the loss of any incorrectly awarded Incentive-Based Compensation. This Policy shall be binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives.

#### **IX. Exception to Enforcement**

The Board shall recover any excess Incentive-Based Compensation in accordance with this Policy unless such recovery would be impracticable, as determined by the Board in accordance

with Rule 10D-1 of the Exchange Act and any applicable rules or standards adopted by the SEC and the listing standards of any national securities exchange on which the Company's securities are listed.

**X. Interpretation**

The Board is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate, or advisable for the administration of this Policy. It is intended that this Policy be interpreted in a manner that is consistent with the requirements of Section 10D of the Exchange Act and any applicable rules or standards adopted by the SEC and any national securities exchange on which the Company's securities are listed.

**XI. Effective Date**

This Policy shall be effective as of the date it is adopted by the Board (the "**Effective Date**") and shall apply to Incentive-Based Compensation that is received by a Covered Executive on or after that date, as determined by the Board in accordance with applicable rules or standards adopted by the SEC and the listing standards of any national securities exchange on which the Company's securities are listed.

**XII. Amendment; Termination**

The Board may amend this Policy from time to time in its discretion and shall amend this Policy as it deems necessary to comply with any rules or standards adopted by the SEC and the listing standards of any a national securities exchange on which the Company's securities are listed. The Board may terminate this Policy at any time.

**XIII. Other Recoupment Rights**

Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company pursuant to the terms of any similar policy in any employment agreement, equity award agreement, or similar agreement and any other legal remedies available to the Company.

