Risk Factors Comparison 2023-02-23 to 2022-02-28 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

You should carefully consider the risks and uncertainties described under this section. PART I Item 1. Business Overview To achieve our mission of ~~finding~~ **enabling** the ~~biology that cures disease~~ **ongoing revolution in biological sciences** , we have created a platform for accessing and understanding live primary biology with unprecedented speed and scale. Our capabilities represent a step change in high throughput screening technology and can be used to unlock new insights in functional biology research and therapeutics discovery. Our value proposition is to provide a streamlined functional screening platform capable of observing rare interactions, underpinned by a unique combination of high throughput screening and live biology and, specifically, primary biology where applicable / valuable. Prior to Berkeley Lights, the platforms available to perform live biology assays typically consume or destroy cell models being tested. But with the Berkeley Lights Platform, customers can access primary tissue samples, including those that only live for short time periods ex vivo. They can also isolate, expand, manipulate, assay, and export unperturbed cells of interest for downstream analysis enabling significantly greater insight and flexibility. Not only do our customers gain both higher throughput and higher resolution, they do so while reducing time and cost. This is achieved on our OptoSelect chips, some of which can enable ten thousand plus individual cells on a single chip to be functionally characterized across multiple measurements. Processes that used to take weeks or months can now be completed in hours or days with an increased probability of success. ~~In our Antibody Therapeutics application, certain customers have shown that with the Berkeley Lights Platform, they can find > 10x the therapeutic candidates, in 1 / 10th the time, and with a 20-fold reduction in costs.~~ We currently focus on enabling the large and rapidly growing markets of antibody therapeutics, cell **line development, gene** ~~therapy~~ **therapies , T Cell receptor (" TCR ") discovery** and **agriculture** ~~synthetic biology~~ with our ~~platform~~ **portfolio of commercial products** and **services** ~~have also recently expanded into the gene therapy and agricultural biology markets~~ . Our goal is to establish the Berkeley Lights Platform as the standard throughout the cell- based product value chain by increasing the probability of successful product development for our customers ~~. Cells have tremendous capabilities and are an effective means to discover, develop and manufacture a wide range of products, including therapies for diseases, new and sustainable foods and industrial materials. Harnessing these capabilities requires finding and using the best cells and ensuring the function of the cells performed as intended, which can result in finding the next blockbuster drug or product. Biology is highly complex and not deterministic. Cells are microscopic factories that make minute amounts of a variety of valuable proteins, such as antibodies, and therefore require a high degree of precision when analyzed individually. Finding the best cells can require searching through millions of cells, or often even more challenging, starting with a limited sample of precious cells such as primary human cells from a recovering patient. Finding the best cells requires more than just capturing a cell' s genetic code, it requires the deep understanding generated by functional characterization across many parameters, a process we call Deep Opto Profiling. Many existing methods used to perform functional characterization of single cells are manual and fragmented processes that we believe do not scale to meet the significant challenges of measuring biological complexity nor do they provide the functional validation of that cell. Successful cell- based product development requires living, functionally validated cells. We believe today' s methods to functionally characterize cells do so insufficiently and too late in the process. We believe that harnessing the cell' s true capability, to develop biotherapeutics and other cell- based products, requires functional characterization of living single cells at large scale, cost effectively and in an integrated manner, early in the value chain~~ . The Berkeley Lights Platform can not only be used to characterize the performance of cells relevant to the desired cell-based product early in the discovery process but can also connect this phenotypic data to the genetic code for each cell. In contrast, current genomic technologies find sequences first and fail to deliver the functional information early in the process. Performing functional validation early reduces research and development expense by letting poorly performing cells fail early. We repeat this process of fail and advance many times throughout the process, identifying the best biology and delivering the best cells for what we believe will deliver the best product. We believe our platform rapidly provides the deepest information and largest relevant data cube, with linked phenotypic and genotypic data, on tens of thousands of live single cells relevant to the customers' end product specifications. We believe we are the only company exclusively focused on this approach to ~~Digital~~ **functional** ~~Cell~~ **cell** ~~Biology~~ **biology** , and we believe this level of scale and precision is not attainable with other approaches. This allows us and our customers and partners, either directly or through an engagement for our service offerings, to find the best cells by: • Performing rapid functional characterization of tens of thousands of single cells in parallel; • Precisely controlling the environment around each cell, and maintaining cells in a healthy state for further use; • Accessing a high degree of cell biodiversity including primary cell samples; • Engaging ~~the Deep Opto Profiling process~~ **functional characterization across many parameters** to identify ~~of the~~ relevant phenotypic characteristics, at single- cell resolution over time and connecting this to the genotypic information for each cell; • Performing a broad range of workflows, including single- cell assays, on an integrated platform; and • Digitally aggregating, accessing and analyzing a rich data library for each single cell. Using our platform, customers can perform functional characterization of single cells at scale, effectively, more often and early in the product development process. We believe this enables them to: • Accelerate their product development cycles; • Improve process yield and lower costs throughout the value chain; • Enable a broad range of complex therapeutic modalities in biopharmaceuticals; • Increase the probability of successfully developing cell- based products; • Achieve revenue from their cell- based products sooner and potentially extend the product lifetime on the market prior to patent expiration; and • Increase return on investment for their cell- based products. ~~Digital Cell Biology enabled by~~ **Pending Acquisition of IsoPlexis On December 21, 2022, we entered into a definitive agreement to acquire IsoPlexis in an all- stock transaction with an**

estimated purchase price of $ 57. 8 million as of December 16, 2022 (“ IsoPlexis Acquisition ”). Under the **terms of the agreement, IsoPlexis shareholders will receive 0. 612 shares of** Berkeley Lights **stock for each IsoPlexis share** ~~Platform Digital Cell Biology is a new way to capture and interpret the~~ **they hold** ~~qualitative language of biology, both phenotypic and genotypic information, from a highly biodiverse cell population, and translate it into a single- cell specific digital deep profile~~. ~~The~~ **Following the close of the transaction,** Berkeley Lights ~~Platform~~ **shareholders will own approximately 75. 2 percent of the** ~~combines~~ **combined** ~~bioscience~~ **company** , ~~information~~ and ~~technology~~ **IsoPlexis shareholders will own approximately 24. 8 percent of the combined company. The transaction is expected** to **close in the first quarter of 2023, subject to approval by shareholders of both Berkeley Lights and IsoPlexis and other customary closing conditions. If the merger closes, we expect the combined company to be renamed PhenomeX, which we believe will be a premier functional cell biology company that provides live cell biology research tools which** deliver deep ~~phenotypic and~~ **insights into cellular** ~~functional~~ -- **function** ~~information linked to genotypes across thousands of living cells in parallel at the single- cell level. Using our platform, customers can leverage the power of Digital Cell Biology to rapidly engage in the process of Deep Opto Profiling of cells they wish to understand, characterize~~ and **new perspectives on phenomes** ~~use in their cell- based product development processes~~ . We developed the Berkeley Lights Platform to create the most advanced environment for functional testing of single cells and provide customers local access to ~~Digital~~ **functional** ~~Cell~~ **cell** ~~Biology~~ **biology** for developing cell- based products on a global scale. Our platform can deliver live biology, in the form of the best cells for the desired cell- based product. Using our platform, customers perform integrated workflows specific to a field of use to profile and capture relevant single- cell data, throughout the duration of the workflow, on tens of thousands of cells individually, in parallel and within a contained and precisely controlled environment. Our platform is a fully integrated, end- to- end solution, comprised of proprietary consumables, including our OptoSelect chips and reagent kits, advanced automation systems and advanced application and workflow software. Our platform leverages our proprietary OptoElectro Positioning (OEP) technology, which provides deterministic positioning of living single cells and other micro- objects using light. We believe our platform delivers a high level of control over, and preservation of, living single cells or other micro- objects throughout the functional characterization process. We also have workflows that can lyse, capture and barcode genetic information from select cells on a single OptoSelect chip, conduct reverse transcription, create cDNA libraries for sequencing and link sequencing results back to the unique cell identifiers. Our platform also uses our proprietary NanoPen technology. NanoPens are small, roughly 1 nanoliter (or 1 / 50, 000th of a drop of water) sized chambers, with proprietary surface coatings that provide precise and deterministic control of the environment around the cells. Through biomimetic design, our platform provides nutrients to, and removes waste from, each NanoPen to keep the cells in a healthy state while outside of their native environment. These mechanisms enable performance of a large variety of single- cell assays on live biology, including single- cell real- time imaging at high resolution. Using our OEP technology, we select and move cells and other micro- objects in parallel into NanoPens on our proprietary OptoSelect chips. Within the NanoPen chambers, our platform can precisely control the cell environment, perform a large variety of single- cell assays and real- time image each single cell, providing a predictable analytical window into live single- cell biology. We currently offer six types of OptoSelect chips, with different designs and numbers of NanoPens for various workflows. Our largest commercially available chip has 20, 000 pens, and is primarily used for our antibody discovery workflow with plasma cells. OptoSelect chips are single- use consumables and replaced after each workflow. Reagent kits We have commercialized a broad range of reagent kits that have been validated in the workflows using our platform. These reagent kits support the on- chip analysis on our advanced automation systems as well as many other upstream and downstream processes. Our reagent kits have been optimized to support multiple species and cell types including mammalian cells such as B cells, T cells and dendritic cells, and non- mammalian cells including yeast and bacteria. Advanced automation systems and instruments We currently offer three advanced automation systems and instruments, Beacon and Lightning, which are designed to run our proprietary workflows, and Culture Station, which allows our customers to execute workflows requiring high volume, multi- day cell culture without breaking the continuity and control provisions of a single program run. Launched in December of 2016, our Beacon system is a fully automated, high throughput system that enables workflows on four OptoSelect chips in parallel, utilizing up to 80, 000 NanoPens. Beacon captures brightfield and fluorescence images to track and assay individual cells across multiple points in time to allow ~~Deep~~ **deep** ~~Opto~~ **functional** ~~Profiling~~ **profiling** of phenotypic and genotypic information on single cells. Beacon is used by our customers for high throughput applications, including antibody discovery and cell line development. Since its launch, we have focused on continuous improvement efforts in the form of activating additional system- level capabilities and enhancements, in turn, enhancing the value of the system for our customers. We will continue to evolve Beacon to further facilitate distributed decentralized biological processing globally ~~. Launched in June of 2019, our Lightning desktop system supports workflows on a single chip. Lightning captures brightfield and fluorescence images to track and assay individual cells across multiple points in time and allows Deep Opto Profiling of phenotypic and genotypic information on single cells. Launched in January of 2020, Culture Station instrument enables the on- chip culture of cells outside of Beacon and Lightning, where workflows require an extended cell culture period. Culture Station consists of independent media, fluidics and software and can be seamlessly integrated into Beacon and Lightning workflows. Rather than occupy those systems during the Culture module, customers can transfer up to eight of our OptoSelect chips from Beacon or Lightning onto Culture Station. Once culture is completed, the chips can be moved back to Beacon or Lightning for further analysis. This seamless interface between systems and instruments increases throughput when cell culture becomes a constraint. Parallel processing of culture while simultaneously running assays on Beacon or Lightning reduces the product development cycle time and lowers cost, maximizing benefits to our customers~~ . Advanced application and workflow software Our software suite includes tailored software packages that enable customers to design, automate and scale reproducible workflows and collect, aggregate, analyze and report data on each cell in each NanoPen, far beyond what we believe is possible with current manual workflows. ~~Business model~~ **Our workflow** and **assay library As of December 31, 2022, we offered twelve commercial workflows, incorporating**

multiple assays that address different phases of our customers' cell- based product value chains in our target markets. In many of these markets, we are developing additional workflows that can extend use of our platform across our customers' research and development pipelines. A central theme to all of our workflows is that they enable single- cell functional testing as early as possible in our customers' respective value chains, allowing them to focus costly scaling efforts only on the biology that is most likely to yield the desired outcome (manufacturing titers, cell therapy function, etc.). We are also expanding our workflows to enter new cell- based product markets. Workflow development and market expansion are a function of incorporating additional cell types, product specific assays or adapting the four basic workflow modules. We use our Berkeley Lights BioFoundry, which we believe represents the largest platform capacity globally for functionally characterizing cells, to drive new workflow development and functionally characterize cells. In our BioFoundry, we develop workflows and functional assays across the value chain of our target markets. Leveraging our BioFoundry' s capacity, we can also look deep into the immune repertoire to discover difficult- to- find proprietary biological assets, such as antibodies and TCR sequences with high commercial value. Through our platform, customers can now link the deep functional profiling data to each cell' s gene expression levels. Alternately, some customers are using our platform to recover the paired heavy and light chains of antibody sequences for B cells that produce viral neutralizing antibodies (linking sequences to neutralization assays performed on our platform for viruses like coronavirus). Others use our platform to capture mRNA to profile gene expression from T cells (linking the genes expressed to the secreted proteins directly measured from those T cells). Customers can also identify which genes are linked to increasing the production of high- value biologics, such as therapeutic antibodies. Such phenotype- to- genotype data is critical to understanding how cells behave, and yet we are aware of no other technology that can link gene expression to cell function with the throughput, precision, and speed of our platform. We expect that customers will be able to use this linked data to improve cellular models which may enable better organism design. Our Strategy In the second half of 2022, we announced an updated company- wide strategy, which is centered on the following five key pillars: 1. Generate positive operating cash flow by early 2025. We plan to do this by building a growing, profitable, and sustainable business as opposed to pursuing growth at any cost. We intend to accomplish this through revenue acceleration supported by an updated, market- driven product portfolio and pricing strategy, as well as disciplined expense and cash management. The management team took an initial step to reduce operating costs through a global workforce reduction of approximately 12 % in July 2022 and approximately 9 % during the first quarter of 2023 (see Note 14 to our consolidated financial statements for additional information). 2. Prioritize Research and Development (" R & D ") return on investment through increased focus and rigor on development initiatives. For example, we exited certain agreements with limited margin benefit to us and our stated preference for prioritizing higher value projects that support our margin and profitability goals. In addition, during 2022, we validated the unique capability on our platform to select and retrieve high- value stable producer cell lines that will improve the cost and therapeutically relevant yields for manufacturing AAV- based gene therapies, which we believe represents a significant return on investment opportunity in the near term. As such, we intend to dedicate a significant number of our resources towards development of this workflow in 2023. 3. Deliver consistent commercial execution through a new sales structure and enhance product portfolio and pricing strategy. We have completed an in- depth analysis of our markets and unmet customer needs in various segments. We believe our technology can provide significant value in high- growth academic research segments, such as gene editing and immune- oncology applications. We have started to form academic collaboration pilot programs to help inform the design of these new applications. Beginning in 2023, we intend to launch application- specific models of the Beacon system each year, culminating in the anticipated launch of a low- cost bench top device with segment specific versions in 2025. In 2023, we have launched the Beacon Select and intend to launch the Beacon Quest. We believe broadening our portfolio of platforms will allow us to access a wider array of potential customers in the market with products that are more tailored to their needs and budgets. In addition, we plan on expanding our access programs that offer financing options. 4. Build a world- class leadership team with a proven track record in profitably scaling life sciences tools companies. In the first quarter of 2022 we hired a new chief executive officer, and subsequently made other key executive hires. This leadership team is putting in place processes to shift to a performance- driven culture across the business. These changes are critical to our efforts to effectively scale our business and advance our market position through targeted investment and strong execution. Collectively, the new leadership team has the experience needed to build a diverse life sciences tools and services company. 5. Evaluate merger and acquisition (" M & A ") opportunities that will help us accelerate profitable growth and leverage our current cost structure. We have conducted market research to understand our customers' unmet needs and competitive dynamics. This research is expected to help us formulate data- driven decisions on what markets to expand into and what inorganic options would be complementary to our business and technology. We expect to pursue synergistic M & A options that expand our serviceable addressable market and / or provide leverage to our Selling, general and administrative and R & D expense structure. For example, during December 2022, we announced a definitive agreement under which we will acquire IsoPlexis in an all- stock transaction valued at $ 57. 8 million. If the merger closes, we expect the combined company to be renamed PhenomeX, which we believe will be a premier functional cell biology company that provides live cell biology research tools which deliver deep insights into cellular function and new perspectives on phenomes. We believe by focusing on these five pillars, we can transform Berkeley Lights from a technology platform company to a diverse life sciences tools and services company. We believe the IsoPlexis transaction, if closed, fully supports the five pillars of our strategic plan, including, among other things, allowing us to achieve positive operating cash flow by 2024. Market opportunity While our platform is currently utilized primarily in the discovery and development stages of the value chain and marketed as research use only (" RUO "), we believe that the capabilities of our platform will enable us to capture an increasingly

greater share of our serviceable addressable market opportunity and the value chain across cell- based product industries, including being incorporated into the commercial manufacturing process. Our current workflows target customers in the antibody therapeutics, cell line development, gene therapies, TCR discoveries and agriculture markets. We believe our serviceable addressable market is approximately $ 3. 1 billion, split roughly equally between our platform and partnership and services opportunities. Our current focus in these areas are antibody discovery, cell line development, immune- oncology, gene editing, AAV stable cell line, TCR discovery and agricultural. Our estimates of our serviceable addressable markets are based on potential customer research and development spending, addressable aspects of potential customers' end product development process, and potential platform usage. We also utilize estimated penetration and placement rates for our platform with potential customers in our target markets and historical patterns for consumables usage. Commercial As of December 31, 2022, our customer base was comprised of 96 customers and included several of the largest biopharmaceutical companies in the world, as well as biotechnology companies, leading contract research organizations, synthetic biology companies and academic research institutions. As of December 31, 2022, we employed a commercial team of 101 employees, including 30 with Ph. D. degrees and many with significant industry experience. Our business model is focused on driving the adoption of the Berkeley Lights Platform ~~, including our Beacon system, consumables, reagent kits, and software,~~ and maximizing its use across our customers' value chains. This is achieved by enabling more functional testing of single cells throughout our customers' value chains and by finding opportunities for customers to perform single- cell functional testing earlier in their product development process ~~to advance better product candidates. We engage with potential customers to identify a significant challenge they are facing and then evaluate which of our workflows and underlying assays can address their problem. Customers can gain access to our platform via direct purchase, subscription, or through a strategic partnership or service relationship. In many cases we can address customers' needs with existing or variants of existing workflows. Alternately, we may form strategic partnerships or collaborations to develop substantially new workflows with our customers to address their needs. Our growth strategy Our goal is to establish the Berkeley Lights Platform as the standard throughout the cell- based product value chain and drive substantial conversion of current cell biology workflows onto our platform. Our growth strategy is comprised of the following elements: Drive new customer adoption of the Berkeley Lights Platform Since the commercial launch of our platform through December 31, 2021, 80 customers had leveraged our platform to perform a variety of workflows. We drive customer adoption globally within our initial target markets of antibody therapeutics, cell therapy and synthetic biology through business development efforts, a direct sales and marketing organization in the United States, parts of Europe and China; and third- party distributors and dealers in Asia. In 2021 we increased our focus on strategic partnerships and services, allowing our partners to utilize our service offerings performed in our BioFoundry. Expand the utilization of workflows across our customers' value chains We are driving the adoption of workflows using our platform across our existing customers' value chains. We are doing so by developing new workflows for use at multiple points within the discovery, development and production phases of our customers' value chains. Increase the value of our workflows to our customers We are increasing the value of our workflows by building additional assays that can be used with a given workflow and by further integrating the workflows into our customers' existing processes. We are also expanding the upstream and downstream reach of our workflows. This increases the workflow value to our customers and enables us to share in that cost of ownership benefit. For example, we developed our Opto Plasma B Discovery 2. 0 and 3. 0 workflows to improve the features of Opto Plasma B Discovery 1. 0. This was achieved by increasing scale and adding sequence library preparation into our workflow, making the process easier and more efficient for our customers and enabling them to more broadly screen the antibody diversity of animals. In 2021 we introduced our Opto ™ Plasma B Discovery (OPBD) 4. 0 workflow, which enables recovery of 1000s of hits by screening up to 100, 000 plasma B cells and the down- selection of lead candidates with functional assays, which can then be sequenced to realize the re- expression of functionally characterized antibodies in just one week. We believe that by maximizing the diversity through direct functional profiling of plasma B cells, our OPBD 4. 0 workflow allows users to accelerate discovery against even the most challenging targets. We have multiple generations of workflows for antibody discovery and cell line development, and are developing new generations of workflows, including for cell therapy development, incorporating additional capabilities that have value for our customers. Drive utilization of our workflows and adoption of our platform across multiple customer sites We increase usage of our platform with existing customers by driving adoption of multiple advanced automation systems either to support multiple locations or drive increased usage of our workflows in any given location. There is an opportunity to increase utilization of our platform throughout our customers' organizations. We accomplish this through a combination of sales and business development efforts as well as through our customer success organization to help customers to standardize their processes globally at multiple sites using our platform. Develop and monetize proprietary biological assets from our BioFoundry Within our Berkeley Lights BioFoundry, we develop, practice and validate workflows. In certain cases, we may use our own biology as part of this validation process. This enables us to commercialize new workflows and may also generate proprietary valuable biological assets we could sell outright or license to customers, such as functionally validated antibodies or new organisms applicable to synthetic biology. We also use our Innovation Lab, including in cooperation with third parties, to develop workflows to generate proprietary biological assets for new and adjacent markets. These early third- party research collaborations may take various forms, including service or capacity subscription arrangements. Expand adoption of the Berkeley Lights Platform into new markets Our market entry strategy involves identifying markets that have significant constraints which can be addressed by our platform. This can be specific to certain diseases or pathogens and / or involve new therapeutic modalities and / or cell types. We drive our expansion into new markets by developing workflows for those markets, either by adapting existing workflows or by partnering with leaders in those markets to develop workflows that address their significant unmet needs but also have general value for other customers in that market. In 2021 we announced new engagements in the gene therapy and agricultural markets. These strategic partnerships can result in joint development of specific workflows**

and assays involving upfront and milestone arrangements, as well as capacity subscription arrangements. Depending on the agreement, we could also negotiate end product revenue participation through royalties. Our workflow and assay library As of December 31, 2021, we offered ten commercial workflows, incorporating multiple assays that address different phases of our customers' cell- based product value chains in our target markets. In each of these markets we are developing additional workflows that can extend use of our platform across our customers' value chains and perform single- cell functional testing at critical yield steps as early as possible in their respective processes. We are also developing workflows to enter new cell- based product markets. Workflow development and market expansion are a function of incorporating additional cell types, product specific assays or adapting the four basic workflow modules. We use our Berkeley Lights BioFoundry, which we believe represents the largest single location platform capacity globally for functionally characterizing cells, to drive new workflow development and functionally characterize cells. In our BioFoundry, we practice and develop workflows and functional assays that are applicable throughout the value chain of our target markets. Leveraging our BioFoundry' s capacity, we can also look deep into the immune repertoire to discover difficult- to- find proprietary biological assets, such as antibodies and TCRs, that may offer commercialization opportunities. Through our platform, customers can now link the Deep Opto Profiling data to each cell' s genomic expression. For example, some customers are using our platform to recover paired heavy and light chain antibody sequences and others are using our platform to capture mRNA from target cells for gene expression profiling. Customers can characterize the transcriptome of the highest producing clones. We expect that customers will be able to use this linked data to improve cellular models which may enable better organism design. We envision Deep Opto Profiling data will be aggregated and made accessible via the cloud to existing and new customers, which over time could become a part of our distributed biology strategy and our product offering. Antibody therapeutics workflows In the antibody therapeutics market, as of December 31, 2021, we offered seven commercial workflows, five targeting the discovery phase and two targeting the development phase of this market. Opto Plasma B Discovery workflows versions 1. 0, 2. 0, 3. 0 and 4. 0 — These workflows enable customers to functionally characterize single B cells to discover antibody therapeutic candidates. We designed our Opto Plasma B Discovery workflows to provide access to the highest level of biodiversity and to discover rare functional antibodies that cannot be easily or cost- effectively found with other common methods, such as hybridoma, or methods that involve sequencing B cells first and performing functional testing later. Our Opto Plasma B Discovery workflows can deliver functional monoclonal antibody sequences in as little as three days, which compares to weeks or months using common methods. Opto Viral Neutralization 1. 0 — We commercialized Opto Viral Neutralization 1. 0 in September 2020. We adapted the modules and assays from our Opto Plasma B Discovery workflow 1. 0 to enable recovery of antibodies from both immunized animals and human patients exposed to emerging and dangerous pathogens, like SARS- CoV- 2. We developed reagent kits to process blood from patients surviving viral infection in order to find antibodies from both plasma and memory B cells against the virus. Using our platform, GenScript made an early discovery of binding antibodies in China against SARS- CoV- 2. As part of our direct work on COVID- 19, we collaborated with Vanderbilt University Medical Center to discover therapeutic antibody candidates. This work resulted in the discovery of hundreds of antibody sequences from a single recovering patient targeting SARS- CoV- 2, two of those antibodies are in Phase 3 trials being conducted by AstraZeneca and in one study, this two antibody cocktail has shown to be effective against the dominant strain of COVID- 19. In December 2021, the U. S. Food and Drug Administration issued an emergency use authorization (EUA) for AstraZeneca' s Evusheld (tixagevimab co- packaged with cilgavimab and administered together) for the pre- exposure prophylaxis (prevention) of COVID- 19 in certain adults and pediatric individuals. While our recent efforts have been focused on SARS- CoV- 2, we believe that Opto Viral Neutralization 1. 0 can be leveraged to discover potential therapies for many viruses and other emerging pathogens. The ability to process human patient samples provides access to the immune repertoire and antibodies that may represent therapeutic candidates for other infections suffered in the past. Previously, tapping directly into the human immune repertoire was not economically feasible because of the high costs associated with sequencing, re- expression and functional testing of thousands of cells. Our platform and Opto Viral Neutralization 1. 0 allow for upfront functional screening which makes accessing the repertoire economically feasible. Opto Cell Line Development versions 1. 0 and 2. 0 — Following antibody discovery and antibody engineering, our Opto Cell Line Development workflows enable finding the highest productivity cell line by repeating the Culture and Assay modules on a small clone of 4 to 60 cells derived and grown from a single cell isolated on our chip. These workflows shorten the time to find the best production cell lines from 8 to 12 weeks for well plate- based approaches down to 1 week using our platform. Operation of a single large- scale bioreactor can cost approximately $ 50 million annually. The potential annual cost savings for finding a clone with just 20 % higher titer could be on the order of $ 10 million per year per large- scale bioreactor. In certain cases, some customers have demonstrated even greater increases in titer. Our workflows also enable > 99 % monoclonality assurance, a quality metric important for regulatory approval, in the same workflow. By contrast, limiting dilution, a common method to provide monoclonality assurance, takes approximately four weeks and only achieves approximately 96 % monoclonality assurance. In 2020, one of our customers received the first Investigational New Drug, or IND, approval by the FDA for an Antibody Therapeutic developed using our Opto Cell Line Development 1. 0 workflow on the Beacon system, and we believe the Beacon system has been used to discover, define, and / or develop materials for other IND filings. This means that our highly replicable, standardized, automated cell line development workflow with the associated automated data capture, including our industry leading monoclonality, is an accepted workflow for the creation of monoclonal cell lines. Cell therapy workflows As of December 31, 2021, we offered three commercial workflows for cell therapy development. We are also developing our platform to serve as an integrated solution to develop and manufacture T cell therapies, as well as monitor a patient' s immune response to such therapies. Opto Cell Therapy Development workflow version 1. 0 — We announced version 1. 0 in April of 2020, which enables customers to isolate, define and identify poly- functional T cells by precisely assembling T cell- target cell interactions in NanoPen chambers. Our platform can selectively import phenotype specific T cells, cancer cells and cytokine capture beads into the NanoPens and co- culture them to determine what percentage of the T cell population demonstrates antigen- specific

activation through multiple cytokine secretion measurements. Using this workflow, customers can also perform a time- lapse cytotoxicity assay in the NanoPens with T cells that have the ideal poly- functional cytokine phenotype to provide functional measurement of the T cell' s effectiveness in killing single or multiple tumor cells over time. It can be used to select specific T cells for TCR recovery and sequencing to accelerate the development of potential new cell therapies. With Opto Cell Therapy Development 1. 0, which includes the use of dendritic cells, our customers can evaluate thousands of individual T cells in parallel in a single day and on a single platform, and quickly derive actionable information on T cell function and then select and export the desired live cells for further downstream processing. Opto Cell Therapy Development workflow version 2. 0 — We have also released Opto Cell Therapy Development 2. 0, which upgrades 1. 0 to include upstream off- chip activation and expansion of T cells prior to on- chip selection, using multi- cytokine and cytotoxicity assays. Opto Cell Therapy Development 2. 0 will eliminate the need for dendritic cells, which will reduce overall process variation, time and cost. OptoSeq mRNA Library Kit — For many researchers, it is important to understand the genomic changes that correspond to the functional phenotypes that are characterized during our workflows. With this kit, a unique barcoded bead is loaded into each NanoPen chamber. The cells are lysed on chip and the mRNA is released and captured on the beads and reverse transcribed into cDNA. The barcodes are read using fluorescence in the NanoPen and the beads are exported in unique groups of 80 or more at a time. The capture cDNA is then converted into sequencing libraries. During sequencing, the cDNA is read along with the corresponding bead barcode. Our proprietary software allows the customer to deconvolute the sequencing information enabling a direct linkage of single cell phenotype to single cell genotype across thousands of interrogated NanoPens. Fully integrated cell therapy solution — We are developing workflows and a new advanced automation system to enable our platform to be deployed as a fully integrated solution for manufacture and therapy monitoring of cell therapies. In the first quarter of 2021, we announced that we had completed an alpha version of a fully integrated, closed loop, cell therapy manufacturing system, or CTMS. As part of the announcement we also stated that our CTMS is still early in the development cycle and any actual commercial use of the CTMS is likely several years away. Our CTMS development efforts are continuing. We believe that these additions to our platform can address critical challenges and could enable the production of cell therapies on an integrated platform in a decentralized setting, close to the patient. Synthetic biology workflows In September of 2019, we signed a collaboration agreement with Ginkgo, a leader in the synthetic biology market, or the Ginkgo Agreement. Under the Ginkgo Agreement, Ginkgo has agreed to incorporate the Berkeley Lights Platform into its automated genetic engineering foundries. The collaboration will, among other things, drive jointly developed workflows that will help provide continued growth in output and efficiency of Ginkgo' s foundries and will establish our commercial workflow offering in the synthetic biology market. We are currently developing multiple workflows encompassing a variety of organisms with Ginkgo. During the year ended December 31, 2020, we exercised a buy- down right on two different collaboration workflows, which allows us to avoid a waiting period before commercializing the workflows for third parties. Market opportunity While our platform is currently utilized primarily in the discovery and development stages of the value chain and marketed as research use only, or RUO, we believe that the capabilities of our platform will enable us to capture an increasingly greater share of our addressable market opportunity and the value chain across cell- based product industries, including being incorporated into the commercial manufacturing process. Our current workflows target customers in the antibody therapeutics, cell therapy, synthetic biology, gene therapy, and agriculture markets. We estimate that end market sales of cell- based products in antibody therapeutics, cell therapy and synthetic biology were approximately $ 148 billion in 2019 and are expected to grow to $ 255 billion by 2024 at an 11 % CAGR. We believe there are approximately 1, 600 companies, academic institutions, and governmental and other organizations currently focused on developing cell- based products and we estimate our total addressable market to be approximately $ 23 billion, which includes addressable markets of approximately $ 6 billion in antibody therapeutics, approximately $ 15 billion in cell therapy and approximately $ 2 billion in synthetic biology. Our estimates of our total addressable markets are based on potential customer research and development spending, addressable aspects of potential customers' end product development process, and potential platform usage. We also utilize estimated penetration and placement rates for our platform with potential customers in our target markets and historical patterns for consumables usage. In addition to markets where our platform is already commercially available, we continue to look for new markets to enter, such as cell therapy. While a commercial version of our Cell Therapy Manufacturing Solution (CTMS) is still several years away, in the first quarter of 2021 we announced that we had developed an alpha version of our CTMS. In 2021 we also announced engagements in agricultural biology and gene therapy. Specifically, in July of 2021, we announced a strategic collaboration with Thermo Fisher Scientific aimed at addressing challenges in commercial- scale viral vector manufacturing. The strategic partnership, which began in December of 2020, is focused on developing a next- generation workflow on our platform to accelerate and improve the development of stable AAV (Adeno- Associated Viral) and LV (Lentiviral) vector producer cell lines. We believe we will be able to leverage some of the collaboration efforts for other customer and partner AAV and LV vector producer cell lines. In August of 2021, we announced a multi- year agreement with Bayer to develop and perform high- throughput functional screening workflows aimed at accelerating and expanding the discovery of novel traits. We are leveraging our platform to screen individual variants of bioactives for Bayer in a massively high- throughput manner. We believe the outcome will be a significant acceleration of Bayer' s pipeline for discovery and development of novel traits. Commercial As of December 31, 2021, our customer base was comprised of 80 customers and included several of the largest biopharmaceutical companies in the world, as well as biotechnology companies, leading contract research organizations, synthetic biology companies and academic research institutions. As of December 31, 2021, we employed a commercial team of 100 employees, including 30 with Ph. D. degrees and many with significant industry experience. Of the 100 commercial employees, 35 were in business development, sales and marketing, while 65 were employed within our customer success organization, which is focused primarily on customer service and support efforts. As of December 31, 2021, our business development and sales teams included 25 employees, of which 17 were quota- carrying sales representatives. We follow a direct sales model in North America, certain regions in Europe and

~~China, while also selling primarily through third party distributors and dealers in Asia. Our business model is focused on driving the adoption of the Berkeley Lights Platform and maximizing its use across our customers' value chains. This is achieved by enabling more functional testing of single cells throughout our customers' value chains and by finding opportunities for customers to perform single- cell functional testing earlier in their product development process~~ . We engage with potential customers to identify a significant challenge they are facing and then evaluate which workflows and underlying assays can address their problem. Customers can gain access to our platform via direct purchase, subscription, our service business, or strategic partnership. In many cases we can address customer needs with existing or variants of existing workflows. Alternatively, we may form strategic partnerships to develop substantially new workflows with our customers to address their needs. Competition We face significant competition in the life sciences technology market. We currently compete with both established and early stage life sciences technology companies that design, manufacture and market systems, consumables, reagent kits and software for, among other applications, genomics, single- cell analysis, spatial analysis and immunology, and / or provide services related to the same. Growing understanding of the importance of single- cell information is leading to more companies offering services related to collecting such information. Our target customers may also elect to develop their workflows on legacy systems, or using traditional methods, or engage a third party that provides a discovery service, rather than implementing our platform, and they may also decide to stop using our platform. Companies providing point solutions in this space include 10x Genomics, HiFiBio Therapeutics, Solentim, Molecular Devices, Cytena, NanoCellect Biomedical, Danaher, Menarini Silicon Biosystems, Miltenyi Biotec ~~and ,~~ Sphere Fluidics Ltd **., Akoya Biosciences, Inc., Cytek Biosciences, Inc., NanoString Technologies, Inc. and Singular Genomics Systems, Inc** ., among others. In addition, there are many large established players in the life science technology market that we do not currently compete with but that could develop systems, tools or other products that will compete with us in the future. These large established companies have substantially greater financial and other resources than us, including larger research and development staff or more established marketing and sales forces. For further discussion of the risks we face relating to competition, see the section titled " Risk Factors — Risks related to our business and strategy — The life sciences technology market is highly competitive, and if we cannot compete successfully with our competitors, we may be unable to increase or sustain our revenue, or achieve and sustain profitability. " Manufacturing and supply We developed the Berkeley Lights Platform to create the most advanced environment for functional testing of single cells and provide customers local access to ~~Digital~~ **functional** ~~Cell~~ **cell** ~~Biology~~ **biology** for developing cell- based products on a global scale. Our platform is a fully integrated, end- to- end solution, comprised of **proprietary consumables, including** our OptoSelect chips and reagent kits, advanced automation systems and advanced application and workflow software. Our platform leverages our OEP technology, which provides deterministic positioning of live single cells and other micro- objects using light. We believe our platform delivers a high level of control over, and preservation of, live single cells or other micro- objects throughout the functional characterization process. Our manufacturing strategy relies heavily on third parties. Manufacturing of our systems, certain of our reagent kits and OptoSelect chip components is contracted out to third party contract manufacturers and suppliers located in the United States, Europe and Asia. We perform final assembly of our OptoSelect chips in- house. Our outsourced production strategy is intended to drive cost leverage and scale and avoid the high capital outlays and fixed costs related to constructing and operating a manufacturing facility. Certain suppliers of our components and materials are single source suppliers. For further discussion of the risks relating to our third party suppliers, see the section titled " Risk Factors — Risks related to manufacturing and supply. " Consumables — OptoSelect chips and reagent kits We obtain all components of our OptoSelect chips from third party suppliers. While some components are sourced from a single supplier, we have qualified, or are qualifying, second sources for several of our critical chip requirements, as well as our reagent kits, and proprietary chip surface coatings. We believe that having dual sources for certain of our components helps reduce the risk of a potential production delay caused by a disruption in the supply of a critical component. We **also** perform final manufacturing and assembly of our OptoSelect chips at our facilities in Emeryville, California. We **also** ~~outsource the manufacturing~~ **manufacture** ~~of~~ many of our commercially released reagent kits **and when needed, based on capacity or capability needs, we also outsource the manufacturing** to third party contract manufacturers. We rely heavily on third party contract manufacturers for production and manufacturing of Beacon ~~, Lightning and Culture Station~~ . Design work, prototyping and pilot manufacturing of our advanced automation systems are performed in- house before outsourcing to the third party contract manufacturers. We currently rely on Korvis LLC **(" Korvis ")** for the manufacturing of Beacon and Culture Station. For additional information on our supply arrangement with Korvis, see below under " Korvis supply agreement. " In February of 2015, we entered into a supply agreement with Korvis ~~LLC, or Korvis,~~ which was subsequently amended in April of 2019 (collectively, the " Korvis Agreement "). The Korvis Agreement governs the terms and conditions of any purchase orders that we submit to Korvis for the manufacture of Beacon and Culture Station. Under the terms of the Korvis Agreement, Korvis will manufacture our products according to agreed- upon specifications. Korvis is required to maintain minimum manufacturing capacity of a specified number of Beacon systems per month. In addition, we may issue purchase orders in such volumes that require Korvis to maintain at least a specified minimum number of Beacon systems in its finished goods inventory. We are not otherwise obligated to issue a purchase order, and Korvis is only obligated to accept purchase orders for any specified number of products if the purchase order is consistent with a forecast and aligns with Korvis' s then- current lead times. The initial term of the Korvis Agreement was 24 months, after which the agreement automatically renews for successive 12- month terms unless we or Korvis provide written notice of intent not to renew at least 90 days' prior to the end of the then- current term. The Korvis Agreement also includes negotiated provisions relating to, among others, delivery, inspection procedures, warranties, intellectual property rights, indemnification, and confidentiality. Intellectual property Protection of our intellectual property is fundamental to the long- term success of our business. We seek to ensure that investments made into the development of our technology are protected by relying on a combination of patent rights, trademarks, copyrights, trade secrets, know- how, license agreements, confidentiality agreements and procedures, non- disclosure agreements with third parties, employee disclosure and invention assignment

agreements and other contractual rights. Our patent strategy is focused on seeking coverage for various elements of our Berkeley Lights Platform, including our OptoSelect chips and reagent kits, advanced automation systems and instruments, including Beacon, Lightning, and Culture Station and advanced **application and** workflow software. In addition, we file for patent protection on the certain therapeutic and diagnostic products and processes discovered using or derived from the Berkeley Lights Platform. As of December 31, ~~2021~~ **2022**, our owned patent assets included approximately ~~50~~ **63** U. S. patents, ~~69~~ **72** pending U. S. patent applications, ~~9~~ **6** pending patent cooperation treaty ~~, or~~ **(“** PCT **”)**, applications, ~~286~~ **404** foreign patents and ~~323~~ **330** pending foreign patent applications in various foreign jurisdictions, including Australia, Canada, China, the European Union, Hong Kong, Israel, Japan, South Korea, Singapore and Taiwan. Our owned patent assets include 17 patents and applications that are jointly owned by us and by the **Regents of the University of California (“** UC Regents **”)**, including 2 U. S. patents, 2 pending U. S. patent applications, ~~8~~ **9** foreign patents and ~~5~~ **4** foreign patent applications, of which the 2 U. S. patents and the 8 foreign patents are included within the scope of our exclusive licensing arrangement with the UC Regents. As of December 31, ~~2021~~ **2022**, our in- licensed patent assets included 9 U. S. patents, 6 foreign patents, and 1 pending U. S. patent application. Excluding any patent term extension, the currently issued BLI- owned patents are expected to expire between 2033 to ~~2038~~ **2040**. The currently issued in- licensed patents are expected to expire from ~~2022~~ **2023** to 2033. We do not expect that the expiration **or abandonment** of any patent in ~~2022~~ **2023** will materially impact our business, future operations or financial position. Various of our owned patents and patent applications relate to our advanced automation systems, including our Beacon, Lightning and / or Culture Station systems and our OEP technology, other of our patents and patent applications relate to our advanced application and workflow software, including our **Cell Analysis Suite (“** CAS **”)** software, our Workflow Runner / Builder software, our Image Analyzer software, and / or our Assay Analyzer software, still other of our owned patents and patent applications relate to our OptoSelect chips, and still other of our owned patents and patent applications relate to our reagent kits and / or our workflows. Certain of our owned patents and patent applications relate to more than one product group or technology. Our in- licensed patents and patent applications generally relate to micro opto- fluidics. We also have patents related to products or technology that are under development or are on our development roadmap. We also rely on copyrights, trade secrets, including know- how, unpatented technology and other proprietary information, to strengthen our competitive position. We have determined that certain technologies, such as certain processes, methods and surface coatings, are better kept as trade secrets. To mitigate the chance of trade secret misappropriation, it is our policy to enter into nondisclosure and confidentiality agreements with parties who have access to trade secrets, such as our employees, collaborators, consultants, advisors and other third parties. We also enter into invention or patent assignment agreements with our employees and consultants that obligate them to assign to us any inventions they have developed while working for us. We also seek to protect our brand through procurement of trademark rights. As of December 31, ~~2021~~ **2022**, we owned ~~ten~~ **twelve** registered trademarks in the U. S. and ~~110~~ **85** registered trademarks internationally, inclusive of Madrid Protocol applications, as well as ~~five~~ **three** U. S. and ~~52~~ **34** international pending trademark applications. Such international jurisdictions in which we own registered trademarks or pending trademark applications include Australia, Canada, China, the European Union, Israel, Japan, South Korea and Singapore. Our registered trademarks and pending trademark applications include trademarks for Berkeley Lights, BLI, NanoPen, OptoSelect, Beacon, Lightning, Deep Opto Profiling, OEP, CAS, Opto, OptoSeq, and our Berkeley Lights logo. In order to supplement protection of our brand, we have also registered several internet domain names. For further discussion of the risks relating to intellectual property, see the section titled “ Risk Factors — Risks related to litigation and our intellectual property. ” Licenses UC Regents license agreement In October of 2011, we entered into a license agreement, which was subsequently amended in March 2016 **(“** ~~, or the~~ UC Agreement **”)**, with ~~The Regents of the University of California, or~~ the UC Regents, pursuant to which UC Regents granted us an exclusive (subject to certain non- commercial rights reserved by UC Regents and certain rights retained by the U. S. government, including so- called march- in rights), sublicensable, worldwide license under certain patent rights owned by UC Regents related to optoelectronic tweezer technology to develop, manufacture, use and commercialize products, services and methods that are covered by such patent rights, or the Licensed Products. We paid UC Regents upfront payments totaling $ 15, 000 in connection with executing the UC Agreement. In addition, we issued an aggregate of 250, 992 shares of our common stock, which had an aggregate fair value at the time of issuance of approximately $ 30, 000, to certain persons associated with UC Regents upon the occurrence of a qualifying financing event. Additionally, we must pay UC Regents a sub- single digit percentage royalty on our net sales of Licensed Products that are covered by a valid claim of the licensed patents, subject to an annual minimum royalty payment owed to UC Regents of $ 10, 000. We are also obligated to pay UC Regents a percentage of certain royalty income received from our sublicensees ranging from the low- to mid- teens. We are obligated to use commercially reasonable efforts to develop, manufacture and commercialize the Licensed Products. The UC Agreement will continue until the expiration of the last to expire patent or last to be abandoned patent application that is licensed to us, unless terminated earlier in accordance with the terms of the UC Agreement. We may terminate the UC Agreement by providing advance written notice as specified in the UC Agreement. UC Regents may terminate the UC Agreement if we violate or fail to perform any term of the UC Agreement and we fail to cure such violation or failure within 90 days of notice thereof from UC Regents. Additionally, if we challenge the validity or enforceability of any of the licensed patents, UC Regents may remove such patents from the scope of our license. Government regulations Our products and operations may be subject to extensive and rigorous regulation by the **Food and Drug Administration (“** FDA **”)** and other federal, state, or local authorities, as well as foreign regulatory authorities. The FDA regulates, among other things, the research, development, testing, manufacturing, clearance, approval, labeling, storage, recordkeeping, advertising, promotion, marketing, distribution, post- market monitoring and reporting, and import and export of medical devices. Our products are currently marketed as ~~research use only, or~~ RUO. RUO products cannot make any claims related to safety, effectiveness or diagnostic utility and they cannot be intended for human clinical diagnostic use. In November 2013, the FDA issued a final guidance on products labeled RUO, which, among other things, reaffirmed that a company may not make any clinical or diagnostic claims

about an RUO product. The FDA will also evaluate the totality of the circumstances to determine if the product is intended for diagnostic purposes. If the FDA were to determine, based on the totality of circumstances, that our products labeled and marketed for RUO are intended for diagnostic purposes, they would be considered medical devices that will require clearance or approval prior to commercialization. Regulatory framework for medical devices in the United States Pursuant to its authority under the Federal Food, Drug and Cosmetic Act **(“** ~~, or the~~ FDCA **”)** , the FDA has jurisdiction over medical devices, which are defined to include, among other things, in vitro diagnostic devices ~~, or~~ **(“** IVDs **”)** . IVDs that are marketed for RUO are not intended for use in a clinical investigation or for clinical diagnostic use outside an investigation and must be labeled “ For Research Use Only. Not for use in diagnostic procedures. ” Products that are intended for RUO and are properly labeled as RUO are exempt from compliance with the FDA’ s requirements applicable to medical devices more generally, including the requirements for clearance or approval and compliance with manufacturing requirements known as the Quality System Regulation, or QSR. A product labeled RUO but intended to be used diagnostically may be viewed by the FDA as adulterated and misbranded under the FDCA and is subject to FDA enforcement activities. The FDA may consider the totality of the circumstances surrounding distribution and use of an RUO product, including how the product is marketed, when determining its intended use. Although we currently market our products as RUO, we may in the future intend for them to be used for clinical or diagnostic purposes, or may develop other different products intended for clinical or diagnostic purposes, such as our in- development CTMS, which would result in the application of a more onerous set of regulatory requirements. Specifically, unless an exemption applies, each new or significantly modified medical device we seek to commercially distribute in the United States will require either a premarket notification to the FDA requesting permission for commercial distribution under Section 510 (k) of the FDCA, also referred to as a 510 (k) clearance, or approval from the FDA of an application for premarket approval, or PMA. Both the 510 (k) clearance and PMA processes can be resource intensive, expensive and lengthy, and require payment of significant user fees. ~~Under the FDCA, medical devices are classified into one of three classes — Class I, Class II or Class III — depending on the degree of risk associated with each medical device and the extent of control needed to provide reasonable assurances with respect to safety and effectiveness. Class I includes devices with the lowest risk to the patient and are those for which safety and effectiveness can be reasonably assured by adherence to a set of FDA regulations, referred to as the General Controls for Medical Devices, which require compliance with the applicable portions of the QSR facility registration and product listing, reporting of adverse events and malfunctions, and appropriate, truthful and non- misleading labeling and promotional materials. Some Class I devices also require premarket clearance by the FDA through the 510 (k) premarket notification process described below. Most Class I products are exempt from the premarket notification requirements. Class II devices are those that are subject to the General Controls, and special controls as deemed necessary by the FDA to ensure the safety and effectiveness of the device. These special controls can include performance standards, patient registries, FDA guidance documents and post- market surveillance. Most Class II devices are subject to premarket review and clearance by the FDA. Premarket review and clearance by the FDA for Class II devices is accomplished through the 510 (k) premarket notification process. Class III devices include devices deemed by the FDA to pose the greatest risk such as life- supporting or life- sustaining devices, or implantable devices, in addition to those deemed novel and not substantially equivalent following the 510 (k) process. The safety and effectiveness of Class III devices cannot be reasonably assured solely by the General Controls and Special Controls described above. Therefore, these devices are subject to the PMA application process, which is generally more costly and time- consuming than the 510 (k) process. Through the PMA application process, the applicant must submit data and information demonstrating reasonable assurance of the safety and effectiveness of the device for its intended use to the FDA’ s satisfaction. Accordingly, a PMA typically includes, but is not limited to, extensive technical information regarding device design and development, pre- clinical and clinical trial data, manufacturing information, labeling and financial disclosure information for the clinical investigators in device studies. The PMA application must provide valid scientific evidence that demonstrates to the FDA’ s satisfaction a reasonable assurance of the safety and effectiveness of the device for its intended use. After a device enters commercial distribution, numerous regulatory requirements continue to apply. These include: • the FDA’ s QSR, which requires manufacturers, including third party manufacturers, to follow stringent design, testing, production, control, supplier / contractor selection, complaint handling, documentation and other quality assurance procedures during all aspects of the manufacturing process; • labeling regulations, unique device identification requirements and FDA prohibitions against the promotion of products for uncleared, unapproved or off- label uses; • advertising and promotion requirements; • restrictions on sale, distribution or use of a device; • PMA annual reporting requirements; • PMA approval of product modifications, or the potential for new 510 (k) clearances for certain modifications to 510 (k)- cleared devices; • medical device reporting regulations, which require that manufacturers report to the FDA if their device may have caused or contributed to a death or serious injury or malfunctioned in a way that would likely cause or contribute to a death or serious injury if the malfunction were to recur; • medical device correction and removal reporting regulations, which require that manufacturers report to the FDA field corrections and product recalls or removals if undertaken to reduce a risk to health posed by the device or to remedy a violation of the FDCA that may present a risk to health; • recall requirements, including a mandatory recall if there is a reasonable probability that the device would cause serious adverse health consequences or death; • an order of repair, replacement or refund; • device tracking requirements; and • post- market surveillance regulations, which apply when necessary to protect the public health or to provide additional safety and effectiveness data for the device. The FDA has broad post- market and regulatory enforcement powers. Medical device manufacturers are subject to unannounced inspections by the FDA and other state, local and foreign regulatory authorities to assess compliance with the QSR and other applicable regulations, and these inspections may include the manufacturing facilities of any suppliers. Failure to comply with applicable regulatory requirements can result in enforcement action by the FDA, which may include sanctions such as: warning letters, fines, injunctions, consent decrees and civil penalties; unanticipated expenditures, repair, replacement, refunds, recall or seizure of our products; operating restrictions, partial suspension or total shutdown of production; the FDA’ s refusal of our requests for 510 (k) clearance or~~

~~premarket approval of new products, new intended uses or modifications to existing products; the FDA's refusal to issue certificates to foreign governments needed to export products for sale in other countries; and withdrawing 510 (k) clearance or premarket approvals that have already been granted and criminal prosecution.~~ It is also possible that in the future we develop a therapeutic that would be subject to different but also comprehensive FDA regulatory requirements. Human capital resources As of December 31, ~~2021~~ **2022** we employed a total of ~~293~~ **285** individuals, of whom ~~267~~ **249** were employed in the United States **and Canada** , ~~12~~ **19** of whom were employed in Asia Pacific and ~~14~~ **17** of whom were employed in Europe. As of December 31, ~~2021~~ **2022** , our ~~293~~ **285** full- time employees included ~~111~~ **76** in research and development, ~~100~~ **101** in business development, sales, marketing and support, ~~35~~ **45** in manufacturing and operations and ~~47~~ **63** in general and administrative functions, of which many hold PhDs in their respective disciplines. None of our employees are represented by a labor union with respect to their employment with us. We consider our relationship with our employees to be good. Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing and integrating our existing and additional employees. The principal purposes of our equity incentive plans are to attract, retain and motivate selected employees, consultants and directors through the granting of stock- based compensation awards and cash- based performance bonus awards. Corporate information We were incorporated in the State of Delaware on April 5, 2011. Our principal executive offices are located at 5858 Horton Street, Suite 320, Emeryville, California 94608, and our telephone number is (510) 858- 2855. **Our** ~~We closed our initial public offering in July 2020, and our~~ common stock is listed on the Nasdaq Global Select Market under the symbol " BLI. " Available information Our website is located at https: / / www. ~~Berkeleylights~~ **berkeleylights** . com, and our investor relations website is located at https: / / investors. berkeleylights. com. We have used, and intend to continue to use, our investor relations website as a means of disclosing material non- public information and for complying with our disclosure obligations under Regulation FD. The following filings are available through our investor relations website as soon as reasonably practicable after we file them with, or furnish them to, the ~~Securities and Exchange Commission (" SEC ")~~ : Annual Reports on Form 10- K, Quarterly Reports on Form 10- Q, Current Reports on Form 8- K and our **Definitive** Proxy Statement **(" Proxy Statement ")** for our annual meeting of stockholders. These filings are also available for download free of charge through a link on our investor relations website. The SEC also maintains an Internet website at www. sec. gov that contains reports, proxy statements and other information about issuers, like us, that file electronically with the SEC. The contents of these websites are not incorporated into this filing. Further, our references to the URLs for these websites are intended to be inactive textual references only. Item 1A. Risk Factors. Our business is subject to numerous risks and uncertainties, including those described below, that could materially adversely affect our business, financial condition, results of operations, and the trading price of our common stock. The following risk factors could cause our actual results to differ materially from historical results and those expressed in forward- looking statements made by us or on our behalf in filings with the SEC, press releases, communications with investors, and oral statements. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business. Risks related to our operating history, business and strategy We have incurred significant losses since inception, we expect to incur losses in the future and we may not be able to generate sufficient revenue to achieve ~~and maintain~~ **or sustain** profitability. We have incurred significant losses since our inception. For the years ended December 31, **2022,** 2021 ~~,~~ **and** 2020 ~~and 2019~~ , we incurred net losses of $ **98. 0 million, $** 71. 7 million ~~,~~ **and** $ 41. 6 million ~~and $ 18. 3 million~~ , respectively. As of December 31, ~~2021~~ **2022** , we had an accumulated deficit of $ ~~263~~ **361** . 6 million. We expect that our operating expenses will continue to increase as we grow our business ~~and operate as a public company~~ . Since our inception, we have financed our operations primarily from private placements of our convertible preferred stock, the incurrence of indebtedness, the issuance of common stock sold in an initial public offering and to a lesser extent, revenue derived from our Berkeley Lights Platform. We have devoted substantially all of our resources to the development and commercialization of our Berkeley Lights Platform and to research and development activities related to advancing and expanding our scientific and technological capabilities. We will need to generate significant additional revenue to achieve and sustain profitability, and even if we achieve profitability, we cannot be sure that we will remain profitable for any substantial period of time. ~~We may never be able to generate sufficient revenue to achieve or sustain profitability and our recent and historical growth should not be considered indicative of our future performance.~~ Our success depends on the success of our Berkeley Lights Platform and market acceptance of ~~Digital~~ **functional** ~~Cell~~ **cell** ~~Biology~~ **biology** . Our Berkeley Lights Platform and ~~Digital~~ **functional** ~~Cell~~ **cell** ~~Biology~~ **biology** may not achieve or maintain significant commercial market acceptance. Our commercial success ~~is dependent~~ **depends** ~~upon~~ **on** our ability to continue to successfully market and sell our Berkeley Lights Platform ~~,~~ **and** offer services to customers and partners ~~, and to otherwise provide customers access to Digital Cell Biology~~ . Our ability to achieve and maintain commercial market acceptance of our Berkeley Lights Platform ~~and provide customers access to Digital Cell Biology~~ will depend on a number of factors **, many beyond our control** , including: • our ability to increase awareness of the capabilities of our technology and solutions; • our customers' willingness to adopt new technologies and workflows; • whether our platform reliably provides advantages over legacy and other alternative technologies and is perceived by customers to be cost - effective; • our ability to execute on our strategy to provide multiple channels to access our Berkeley Lights Platform ~~and Digital Cell Biology~~ ; • the rate of adoption of our platform and solutions by biopharmaceutical companies, academic institutions and others; • prices we charge for a direct purchase of, or other access to, our platform; • the relative reliability and robustness of our platform as a whole and the components of our platform, including ~~, for example the~~ Beacon ~~and Lightning system and Culture Station instrument~~ ; • our ability to effectively train and educate our customers on the proper usage of our platforms, instruments and workflows; • our ability to develop new workflows and solutions for customers; • our ability to grow our service business; • if competitors develop and commercialize a platform that performs functional testing of cells at scale; • the timing and scope of any approval that may be required by the ~~U. S. Food and Drug Administration, or~~ FDA, for our next generation products and / or solutions; • the impact of our investments in product innovation and commercial growth; • negative publicity regarding our or our competitors' products resulting from defects or errors; and • our ability to further validate our technology through research and

accompanying publications. We cannot assure you that we will be successful in addressing each of these ~~criteria~~ **factors** or other ~~criteria~~ **factors** that might affect the market acceptance of our products. If we are unsuccessful in achieving and maintaining market acceptance of our products, our business, financial condition, results of operations and prospects could be adversely affected. Historically, our revenue has been primarily generated from direct platform sales, largely driven by **our** Beacon, which requires a substantial sales cycle and is prone to quarterly fluctuations in revenue. We made our first commercial sale of Beacon in the United States in December 2016. Direct platform sales of Beacon and Lightning together accounted for **46 %,** 54 ~~%, 69~~ % and 69 %, of our revenue for the years ended December 31, **2022,** 2021 ~~,~~ **and** 2020 ~~and 2019~~, respectively. While **we also generate** revenues related to strategic partnerships and services and recurring revenue ~~continues to increase~~, we still expect that, for at least the foreseeable future, direct capital sales of our Berkeley Lights Platform will continue to account for a substantial portion of our revenue while we grow our service business and develop alternative access channels to our platform and ~~Digital~~ **functional** ~~Cell~~ **cell** ~~Biology~~ **biology**. The sales cycle for capital equipment is slow and can take multiple quarters to complete. In addition, many purchases of our platform involve significant customization of the terms of the transaction ~~requiring~~ **, which requires** additional time and effort to negotiate and complete the sale **. In addition**, ~~and~~ several components of our systems require an order lead time of six ~~months~~ to ten months. Furthermore, in certain situations we have entered into feasibility study arrangements in advance of a direct sale in order to provide a customer with additional information to make the purchase decision ~~and in~~ **. In** such arrangements **,** workflows may be customized for or by customers, ~~a process~~ which can be time consuming. As a result of this lengthy and unpredictable sales cycle, until such time as we establish a significant recurring revenue channel, we will be prone to quarterly fluctuations in our revenue as capital sales of our Beacon systems will continue to comprise a significant component of our revenue. We may not be successful in increasing the proportion of revenue we derive from non- direct capital sales channels, such as our service offerings, in which case **any adverse event affecting our** ~~we will continue to depend on~~ direct sales of our Beacon systems for a significant portion of our revenue and our revenue will continue to fluctuate accordingly. It may be difficult for us to **successfully** implement our strategies for ~~improving~~ growth. Our success will depend on our ability to grow market penetration in existing markets and our ability to identify new applications for our technologies to capture a greater share of the cell- based product value chain. Our ability to grow our market penetration in existing markets will depend on our ability to attract new customers by increasing awareness of the capabilities of our technology and solutions, as well as educating and training new and existing customers on the appropriate usage of the Berkeley Lights Platform, including our systems, instruments and its workflows. Future revenue growth will also depend on our ability to **: • properly identify and anticipate the needs of our customers in existing and new markets beyond the antibody therapeutics, cell therapy and synthetic biology markets; •** develop and ~~market~~ **introduce** new **products responsive** ~~workflows, technologies and solutions~~ to **such** ~~meet our existing customers' evolving~~ needs ~~,~~ **;** and **•** grow our non- direct platform sales business models **. If we are unable** ~~, as well as our ability~~ to ~~identify~~ **drive** new **customer conversions to functional cell biology, expand adoption of functional cell biology into new industries and markets, expand the** ~~applications~~ **application** ~~and~~ **of workflows across our** customers **' value chains, increase the usage and value of our workflows to our customers** ~~for~~ **or** ~~our technology in additional markets beyond~~ **develop and monetize proprietary biological assets,** ~~the~~ **then** ~~antibody therapeutics~~ **our business**, ~~cell therapy~~ **financial condition, results of operations** and ~~synthetic biology markets~~ **prospects could be adversely affected**. In ~~2022~~ **2023**, we intend to expand our service engagements **,** but it is possible that revenue from this business will not grow as anticipated or at all. ~~As~~ **Even if** we **successfully grow** ~~continue to scale~~ our business, **it** ~~we may find that certain of our products, certain customers or certain markets, including the biopharmaceutical market, may require a dedicated sales force or sales personnel with different experience than those we currently employ. Identifying, recruiting and training additional qualified personnel~~ would ~~require~~ **place a** significant **strain on** ~~time, expense and attention. If we are unable to drive new customer conversions to Digital Cell Biology, expand adoption of Digital Cell Biology into new industries and markets, expand the application of workflows across our customers' value chains, increase the usage and value of our workflows to our customers or~~ **our** ~~develop~~ **existing management** and **resources** ~~monetize proprietary biological assets, then our business, financial condition, results of operations and prospects could be adversely affected~~. We may not successfully implement our strategy to provide customers access to our platform and ~~Digital~~ **functional** ~~Cell~~ **cell** ~~Biology~~ **biology** through alternative non- direct capital sales channels, including our subscription, partnering and services offerings. Our ability to execute our growth strategy depends upon our ability to increase the adoption of the Berkeley Lights Platform. Historically, access to our platform was only available through direct capital sales of our systems. We have only recently implemented a strategy providing customers access to our platform through alternative channels, including through subscriptions, strategic partnerships or contracts for our services. Our ability to execute on these alternative access channels is unproven. We cannot assure you that we will be successful in developing these alternative access channels nor that any of them will gain market acceptance. Our failure to execute on this strategy will cause us to remain primarily dependent on lengthy capital equipment sales and our revenue will continue to fluctuate accordingly. Our revenue under our customer sales engagements, program and service agreements and strategic partnerships and services for any particular period can be difficult to forecast. Because of the complexities and long sales cycles inherent in our business, including, in particular, certain customer feasibility study agreements and collaboration and development agreements, it is difficult to predict the timing of a customer' s purchase of our system and ~~of~~ the performance and completion of milestones under our customer and collaboration agreements. As a result, our revenue for any particular period can be difficult to forecast, especially in light of the challenging and inconsistent global macroeconomic environment and related market uncertainty. Our revenue may grow at a slower rate than in past periods or even decline on a year- over- year basis **, as it did during 2022**. For example, ~~under~~ **in the third quarter of 2022,** our **active** collaboration agreement with Ginkgo Bioworks ~~, or~~ **Holdings Inc. ("** Ginkgo ~~, we are eligible~~ **") wound down prior** to **the anticipated contract end date** ~~receive certain minimum annual payments from Ginkgo for purchases and services~~, as ~~well as milestone payments upon~~ the **negotiations regarding potential changes** ~~achievement of certain development and~~

~~regulatory milestones resulting from the use of certain of our proprietary workflows. However, we are unable~~ to **such** ~~predict with precision whether and the extent to which Ginkgo will exceed the minimum annual payments under our~~ agreement **failed** ~~, or the timing of the achievement of any milestones under the agreement, if achieved at all~~ . In some cases, the timing and likelihood of payments to us under ~~these~~ agreements **with customers** is dependent on our customers' successful utilization of our products and workflows, which is outside of our control. In ~~2022~~ **the near term** , we expect revenue from our strategic partnerships and services engagements to **decline; more generally** ~~grow year- over- year but it is possible that it will not grow as anticipated or at all. Because of these factors~~ , our operating results could vary materially from quarter to quarter from our forecasts **due to the foregoing uncertainties. We may face risks in connection with past, existing and future collaborations with respect to the development, manufacture and commercialization of our products and workflows. We face a number of risks in connection with our past, current and future collaborations and partnerships. Our partnerships and collaboration agreements are subject to termination under various circumstances. For example, in the third quarter of 2022, our active collaboration agreement with Ginkgo wound down prior to the anticipated contract end date, as negotiations regarding potential changes to such agreement failed. Our partners and collaborators may change the focus of their development efforts or may have insufficient resources to effectively assist in the development of our products or workflows. Any future partnerships or collaboration agreements may have the effect of limiting the areas of research and development that we may pursue, either alone or in collaboration with third parties. Further, disagreements with partners or collaborators might cause delays, might result in litigation or arbitration, or might result in termination of the research, development or commercialization of our products and workflows. Any such disagreements would divert management attention and resources and be time- consuming and costly** . If we cannot maintain our current relationships with customers, fail to sustain recurring sources of revenue with our existing customers, or if we fail to enter into new relationships, our future operating results would be adversely affected as a general matter. In the years ended December 31, **2022,** 2021 ~~,~~ **and** 2020 ~~and 2019~~ , revenue from our top five customers accounted for **44 %,** 52 % ~~,~~ **and** 33 % ~~and 35 %~~ of our total revenue, respectively, of which **13 %,** 4 % ~~,~~ **and** 8 ~~% and 10~~ %, respectively, was from recurring revenue. The revenue attributable to these customers may fluctuate in the future, which could have an adverse effect on our business financial condition, results of operations and prospects. For example, we rely on field of use or workflow license fees as a source of recurring revenue from certain of our customers. These field of use license fees are paid annually by our customers in consideration of continued use of workflows in specified fields of use in accordance with the terms of the agreement with the customer. However, our ability to monitor the specific fields of use and enforce the payment of these corresponding fees is limited. Additionally, customers may use our platform or workflows in ways that violate the contractual field of use and we may not be able to access additional revenue for these expanded uses. In addition, the termination of these relationships could result in a temporary or permanent loss of revenue. Our future success depends on our ability to maintain these relationships, to increase our penetration among these existing customers and to establish new relationships. We engage in conversations with other companies and institutions regarding potential commercial opportunities on an ongoing basis, which can be time - consuming. There is no assurance that any of these conversations will result in a commercial agreement, or if an agreement is reached, that the resulting relationship will be successful. Additionally, our field of use licensing model may lengthen the negotiations of, or prevent the successful conclusion of, commercial agreements with ~~our~~ potential customers due to such potential customer' s concerns with paying such recurring revenue. Speculation in the industry about our existing or potential commercial relationships can be a catalyst for adverse speculation about us, our products and our technology, which can adversely affect our reputation and our business. **Fluctuations in the research and development budgets of our customers could have a significant effect on the demand for our products. Our customers include biopharmaceutical companies and research institutions. Several factors, including public policy spending priorities, the ramifications of the ongoing global COVID- 19 pandemic, available resources and product and economic cycles, have a significant effect on the capital spending policies of these entities, many of which are outside of our control.** We cannot assure investors that we will be able to further penetrate our existing markets or that our products will gain adequate market acceptance. Any failure to increase penetration in our existing markets **or failure to enter into new relationships** would adversely affect our ~~ability to improve our operating~~ **business, financial condition,** results **of operations and prospects** . Our limited operating history ~~and rapid revenue growth~~ make it difficult to evaluate our future prospects and the risks and challenges we may encounter. We completed our first commercial platform sale in December 2016 and have experienced ~~significant~~ **fluctuations in** revenue growth in recent periods **. Revenue decreased 8 % to $ 78. 6 million for the year ended December 31, 2022 as compared to $ 85. 4 million for the year ended December 31, 2021** . Revenue increased 33 % to $ 85. 4 million for the year ended December 31, 2021 as compared to $ 64. 3 million for the year ended December 31, 2020 ~~. Revenue increased 13 % to $ 64. 3 million for the year ended December 31, 2020 as compared to $ 56. 7 million for the year ended December 31, 2019~~ . In addition, we operate in highly competitive markets characterized by rapid technological advances and our business has, and we expect it to continue, to evolve over time to remain competitive. Our limited operating history, evolving business and ~~rapid~~ **fluctuations in revenue** growth make it difficult to evaluate our future prospects and the risks and challenges we may encounter, may increase the risk that we will not continue to grow at or near historical rates. If we fail to address the risks and difficulties that we face, including those described elsewhere in this " Risk ~~factors~~ **Factors** " section, our business, financial condition, results of operations and prospects could be adversely affected. We have encountered in the past, and will encounter in the future, risks and uncertainties frequently experienced by growing companies with limited operating histories in rapidly changing industries. If our assumptions regarding these risks and uncertainties, which we use to plan and operate our business, are incorrect or change, or if we do not address these risks successfully, our results of operations could differ materially from our expectations and our business, financial condition, results of operations and prospects could be adversely affected. Our operating results have fluctuated significantly in the past and may fluctuate significantly in the future, which makes our future operating results difficult to predict

and could cause our operating results to fall below expectations. Our quarterly and annual operating results have fluctuated significantly in the past and may fluctuate significantly in the future, which makes it difficult for us to predict our future operating results. These fluctuations may occur due to a variety of factors, many of which are outside of our control, including, but not limited to: • the level of demand for our platform and solutions, which may vary significantly; • the length of time of the sales cycle for purchases of our systems, including lead time needed to develop custom workflows or to manufacture component parts; • our ability to successfully implement alternative non- capital purchase channels, including subscription, partnership and services offerings and the design of any such alternatives; • the ramifications of the ongoing global COVID- 19 pandemic on our customers, suppliers and partners ~~, including temporary shutdowns or slowdowns in our customers research activities, travel restrictions in certain geographies, supply constraints, and volatility in the global economy among others~~ ; • the timing and cost of, and level of investment in, research, development, regulatory approval and commercialization activities relating to our products, which may change from time to time; • the mix of our systems sold and the geographies in which they are sold period to period; • the start and completion of projects in which our development services are utilized; • the relative reliability and robustness of our platform, including our systems; • the introduction of new products or product enhancements by us or others in our industry; • expenditures that we may incur to acquire, develop or commercialize additional products and technologies; • expenditures involved in preparing, filing, prosecuting, maintaining, defending and enforcing patent claims, including costs related to our intellectual property litigation with AbCellera Biologics Inc. **(" AbCellera ")** , The University of British Columbia ~~, or together, AbCellera~~ **(" UBC ")** , and Lineage ~~BioSciences, Inc., or Lineage,~~ and the outcome of this and any other future patent litigation we may be involved in, and in engaging in United States Patent and Trademark Office ~~, or~~ **("** USPTO ~~, and~~ **") or** other jurisdictions' patent office proceedings; • expenditures, including costs and attorneys' fees, related to the shareholder class action litigation defense, and the outcome of the shareholder class action litigation and any other securities- related litigation we may be involved in; • changes in governmental regulations or in the status of our regulatory approvals or applications; • future accounting pronouncements or changes in our accounting policies; and • general market conditions and other factors, including factors unrelated to our operating performance or the operating performance of our competitors. The effect of one of the factors discussed above, or the cumulative effects of a combination of factors discussed above, could result in large fluctuations and unpredictability in our quarterly and annual operating results. As a result, comparing our operating results on a period- to- period basis may not be meaningful. Investors should not rely on our past results as an indication of our future performance. Repair or replacement costs due to warranties we provide on our products and consumables could have a material adverse effect on our business, financial condition and results of operations. We provide a thirteen **-** month assurance-type warranty, generally beginning on the shipment date, on our systems, instruments and chip consumables. Existing and future warranties place us at the risk of incurring future repair and / or replacement costs. At the time revenue is recognized, we establish an accrual for estimated warranty expenses based on historical data and trends of product reliability and costs of repairing and replacing defective products. We exercise judgment in estimating the expected product warranty costs, using data such as the actual and projected product failure rates, estimated repair costs, freight, material, labor and overhead costs. While we believe that historical experience provides a reliable basis for estimating such warranty cost, unforeseen quality issues or component failure rates could result in future costs in excess of such estimates, or alternatively, improved quality and reliability in our products and consumables could result in actual expenses that are below those currently estimated. As of December 31, ~~2021~~ **2022** , we had accrued expenses of $ ~~1~~ **0** . ~~1~~ **7** million relating to product warranty accruals. Substantial amounts of warranty claims could have a material adverse effect on our business, financial condition and results of operations. We generally recognize revenue from extended warranty and service contracts over the contract term, and changes in sales of such contracts may not be immediately reflected in our operating results. We offer our customers the option to purchase extended warranty and service programs for regular system maintenance and system optimization on a fixed fee basis. We generally recognize revenue from our extended warranty and service contracts ratably over the contract term, which is typically twelve months, which ~~could~~ in some cases **can** be subject to an early termination right. Revenue from our extended warranty and service contracts accounted for **42 %,** 36 % ~~, and~~ 34 ~~% and 43~~ % of our recurring revenue for the years ended December 31, **2022,** 2021 ~~, and~~ 2020 ~~and 2019~~ , respectively. A portion of the revenue we report in each quarter is derived from the recognition of deferred revenue relating to extended warranty and service contracts entered into during previous quarters. Consequently, a decline in new or renewed extended warranty and service contracts by our customers in any one quarter may not be immediately reflected in our revenue for that quarter. Such a decline, however, will negatively affect our revenue in future quarters. Accordingly, the effect of significant downturns in sales and market acceptance of our services and potential changes in our rate of renewals may not be fully reflected in our operating results until future periods. ~~New~~ **We must develop new** ~~product~~ **products** and ~~workflow~~ **workflows** ~~development involves a lengthy~~ **, adapt to rigid** and ~~complex process~~ **significant technological change** and **respond to introductions of new products by competitors to remain competitive, but** we may be unable to develop or commercialize ~~at all~~ **adapt to rapid and significant technological change and respond to introductions of new products by competitors to remain competitive** .We sell our products in industries that are characterized by significant enhancements and evolving industry standards.As a result,our customers' needs are rapidly evolving.If we do not appropriately innovate and invest in new technologies,our offerings may become less desirable in the markets we serve,and our customers could move to new technologies offered by our competitors or make products themselves.Though we believe customers in our markets display a significant amount of loyalty to their supplier of a particular product,we also believe that because of the ~~significant~~ initial time investment required by many of our customers to reach a purchasing decision for a new product,it may be difficult to regain that customer once the customer purchases a product from a competitor. **Without the timely introduction of** ~~Competitors may also commercialize competing products faster than we are able to develop our own~~ new products **,services** and **enhancements** ~~workflows.We focus significant efforts and resources on the development and identification of new technologies~~ , ~~products and markets to further broaden~~ our offerings ~~.~~ **will likely become less competitive over time,in which case our competitive**

position products and workflows on a timely basis, or at all. Products and workflows from our research and development programs take time and considerable resources to develop, and may include improvements or changes to our systems, software and consumables ~~, and we may not be able to complete development and commercialize new products and workflows on a timely basis, or at all~~. There can be no assurance that our programs will produce commercial products and solutions and before we can commercialize any new products or workflows, we will need to expend significant funds in order to: • conduct substantial research and development, which may include validation studies and potentially clinical trials; • further develop and scale our laboratory, engineering and manufacturing processes to accommodate different products and workflows; • further develop and scale our infrastructure to be able to analyze increasingly large amounts of data; and • utilize data and analytical insights generated from running workflows on our current systems in our research and development programs in order to advance these programs. **This** ~~Our product and workflow development processes~~ -- **process** ~~involve~~ **involves** a high degree of risk **that** ~~, and these efforts may be delayed or~~ **our new products and workflows may not successfully gain market acceptance. The complexity of our products and workflows and the amount of lead time required to deliver products and workflows to our customers have caused in the past, and may cause in the future, delays in releasing new products and workflows. In addition, we have experienced in the past, and may experience in the future, challenges with respect to the reliability of our systems and workflow yields. If there are delays in delivering our products or workflows to our customers or if our products or workflows** fail **to substantially shorten the amount of time necessary to perform certain research activities as compared to the use of legacy and other alternative technologies, or fail to generate reliable results** for **our customers, customers** ~~many~~ -- **may** ~~reasons~~ **not adopt our new products and workflows. The training required by the complexities of our products and workflows may also deter some customers from adopting our products or workflows. The training is expensive and time- consuming, in some instances, taking up to two weeks to complete. Any misuse of our products or workflows** , including ~~: • failure~~ **as a result** of ~~the~~ **inadequate training, could cause our** ~~product~~ **products** or ~~workflow~~ **workflows not** to perform as expected **or** ~~; and • failure~~ to ~~reliably~~ **fail to** demonstrate ~~the~~ **their** process advantages ~~of our products or workflows. In addition, if we are unable to generate additional data and insights from our research and development programs, then we may not be able to advance these programs as quickly, or at all, or without significant additional investment, all of which could have a material adverse effect on our product and workflow development efforts~~. Even if we are successful in developing new products or workflows, it will require us to make significant additional investments in marketing and selling resources **. The expenses** ~~in order to commercialize any such products~~ or **losses associated with unsuccessful** ~~workflows, whether through system and~~ product ~~sales, through services~~ **development or launch activities or lack or market acceptance or** ~~or~~ **our** ~~otherwise. As a result, we may be unsuccessful in commercializing~~ new products ~~or workflows that we develop, which~~ could adversely affect our business, financial condition, results of operations and prospects **. For example, in the years ended December 31, 2021 and December 31, 2022, our revenues from sales of the Lightning system and from the Culture Station instrument were lower than expected** . The Berkeley Lights Platform is comprised of OptoSelect chips and reagent kits, advanced automation systems and advanced application and workflow software, which may contain undetected errors or defects and may not meet the expectations of our customers, which means our business, financial condition, results of operations and prospects could suffer. Our platform is comprised of OptoSelect chips and reagent kits, advanced automation systems and advanced application and workflow software, and may contain undetected errors or defects ~~when first introduced or as new products are released~~ . Disruptions or other performance problems with our platform or **its** ~~with the~~ components ~~that comprise our platform~~ , including our proprietary workflows or those designed by our customers, may adversely impact our customers' research or business, harm our reputation and result in reduced revenue or **a significant cost** ~~increased~~ - **increase** ~~costs~~ associated with repairs or replacements. If that occurs ~~, we may also incur significant costs~~ , the attention of our key personnel could be diverted or other significant customer relations problems may arise. We may also be subject to ~~warranty claims or breach of contract for damages related to errors or defects in our solutions. Additionally, we may be subject to~~ legal claims arising from **such defects or errors, including warranty or breach of contract claims for damages. Although we maintain general liability insurance,** any ~~defects~~ **claims against us could damage** ~~or~~ **our reputation** ~~errors in our~~ - **or** ~~platform,~~ **cause current customers to terminate existing agreements** and ~~in~~ **potential partners to seek** ~~the~~ **other** ~~workflows~~ **partners. In addition** , ~~systems and consumables that comprise~~ **this coverage may not be sufficient to cover liabilities resulting from such claims** ~~our~~ - **or** ~~platform~~ **our insurers may disclaim coverage. Our liability insurance also may not continue to be available to us on reasonable terms, in sufficient amounts, or at all** . Our success depends on, among other things, the market' s confidence that the Berkeley Lights Platform is capable of substantially shortening the amount of time necessary to perform certain research activities as compared to the use of legacy and other alternative technologies, and ~~will enable~~ **enables** more efficient or improved pharmaceutical and biotechnology product development. We believe that pharmaceutical and biotechnology companies are likely to be particularly sensitive to product defects and errors in the use of our platform, including if our platform fails to deliver meaningful acceleration of certain research timelines accompanied by results at least as good as the results generated using legacy or other alternative technologies. There can be no guarantee that our platform will meet the expectations of pharmaceutical and biotechnology companies. ~~The complexity of our products and workflows and the amount of lead time required to deliver products and workflows to our customers have caused in the past, and may cause in the future, delays in releasing new products and workflows. In addition, we have experienced in the past, and may experience in the future, challenges with respect to the reliability of our systems and workflow yields. If there are delays in delivering our products or workflows to our customers or if our products or workflows fail to substantially shorten the amount of time necessary to perform certain research activities as compared to the use of legacy and other alternative technologies, or fail to generate reliable results for our customers, it could reduce or delay our revenue, which could adversely affect our business, financial condition, results of operations and prospects. These complexities also require that we train our customers to operate them, which is expensive and time- consuming, in some instances, taking up to two weeks to complete.~~

~~Any misuse of our products or workflows, including as a result of inadequate training, could cause our products or workflows not to perform as expected or to fail to demonstrate the process advantages of our products and workflows. The training requirement may also deter some customers from utilizing our products or workflows. Any of these results could adversely affect our business, financial condition, results of operations and prospects. Our business, financial condition, results of operations and prospects may be harmed if our customers discontinue or spend less on research, development and production and other scientific endeavors. Our customers include biopharmaceutical companies and research institutions. Many factors, including public policy spending priorities, the ramifications of the ongoing global COVID- 19 pandemic, available resources and product and economic cycles, have a significant effect on the capital spending policies of these entities. Fluctuations in the research and development budgets of our customers could have a significant effect on the demand for our products and these fluctuations have been exacerbated as a result of the ongoing pandemic. Our customers determine their research and development budgets based on several factors, including the need to develop new products, continued availability of governmental and other funding, competition and the general availability of resources. If research and development budgets are reduced, the impact could adversely affect our business, financial condition, results of operations and prospects.~~ If we are unable to support demand for the Berkeley Lights Platform, and for our future product offerings, including ensuring that we have adequate capacity to meet increased demand, or if we are unable to successfully manage our anticipated growth, our business could suffer. As the number of customers accessing the Berkeley Lights Platform grows and our volume of installed systems increases, we will need to continue to increase our capacity for customer service and support, for billing and general process improvements, and expand our internal quality assurance programs. We will also need to purchase additional equipment, some of which can take several months or more to procure, ~~setup~~ **set up** and validate, and increase our personnel levels to meet increased demand. ~~There is no assurance~~ **We cannot be certain** that any of these increases in scale, expansion of personnel, equipment, software and computing capacities or process enhancements will be successfully implemented, or that we will have adequate space, including in our laboratory facility, to accommodate such required expansion. As we commercialize additional products, we will need to incorporate new equipment, implement new technology systems and laboratory processes, and hire new personnel, possibly with supplemental or different qualifications as compared to our current personnel. Failure to manage this growth or transition could result in turnaround time delays, higher product costs, declining product quality, deteriorating customer service and slower responses to competitive challenges. A failure in any one of these areas could make it difficult for us to meet market expectations for our products and could damage our reputation and the prospects for our business. ~~We~~ **Even if we are able to successfully scale our infrastructure and operations, we cannot assure you that demand for our products and services** will **increase at levels consistent with the growth of our infrastructure. If we fail to generate demand commensurate with this growth or if we fail to scale our infrastructure sufficiently in advance of demand to successfully meet such demand, our business, prospects, financial condition and results of operations could be adversely affected. Our future capital needs are uncertain and we may** need to raise additional capital to fund our existing operations, improve our platform or develop and commercialize new products, workflows, consumables and reagent kits, or expand our operations. Based on our current business plan, we believe our current cash and cash equivalents and anticipated cash flow from operations, will be sufficient to meet our anticipated cash requirements for at least the 12 months from the date of this Annual Report. If our available cash resources anticipated cash flow from operations are insufficient to satisfy our liquidity requirements **,** including because of lower demand for our products or the realization of other risks described in this Annual Report, we may be required to raise additional capital prior to such time through issuances of equity or convertible debt securities, ~~entrance~~ **enter** into a credit facility or another form of third **-** party funding or seek other debt financing. ~~In any~~ **Furthermore,** ~~event~~ **even if we believe that we have sufficient funds for current or future operating plans** , we may consider raising additional capital in the future to expand our business, to pursue strategic investments, to take advantage of financing opportunities or for other reasons, including to: • increase our sales and marketing efforts to drive market adoption of our Berkeley Lights Platform and address competitive developments; • fund development and marketing efforts of products from our programs or any other future products; • expand our technologies into additional markets; • acquire, license or invest in technologies; • acquire or invest in complementary businesses or assets; and • finance capital expenditures and general and administrative expenses. Our present and future funding requirements will depend on many factors, including: • our ability to achieve revenue growth; • the cost of expanding our operations, including our biology and engineering laboratories and clean- room, and our offerings, including our sales and marketing efforts; • our rate of progress in launching and commercializing new products, and the cost of the sales and marketing activities associated with, establishing adoption of our Berkeley Lights Platform; • our rate of progress in, and cost of research and development activities associated with, products in research and development; • the effect of competing technological and market developments; • the costs involved in preparing, filing, prosecuting, maintaining, defending and enforcing patent claims, including costs related to our intellectual property litigation with AbCellera, **UBC** ~~The University of British Columbia~~ , and Lineage and the outcome of this and any other future patent litigation we may be involved in, and in engaging in **,** USPTO and other jurisdictions' patent office proceedings; • costs related to domestic and international expansion; and • the potential cost of and delays in product development as a result of any regulatory oversight applicable to our products. ~~The various ways~~ **To the extent that** we ~~could~~ raise additional capital ~~carry potential risks~~ **through the sale of equity or convertible debt securities, our stockholders may experience dilution** . ~~If~~ **Any debt or additional equity financing that** we raise ~~funds by issuing equity securities, dilution~~ **may contain terms that are not favorable** to **us or** our stockholders ~~could result~~ . Any preferred equity securities issued also could provide for rights, preferences or privileges senior to those of holders of our common stock. If we raise funds by issuing debt securities, those debt securities would have rights, preferences and privileges senior to those of holders of our common stock. ~~The terms of~~ **In addition, future** debt **financing, if available, may involve additional covenants** ~~securities issued or borrowings pursuant to a credit agreement could impose significant restrictions~~ **restricting** ~~on~~ our operations **of our ability to incur additional debt** . If we raise funds through **strategic**

transactions with third parties such as collaborations or licensing arrangements, we might be required to relinquish significant rights to our platform technologies or products or grant licenses on terms that are not favorable to us. ~~Market volatility resulting from the ongoing COVID- 19 global pandemic or other factors may further adversely impact our ability to access capital as and when needed.~~ If we are unable to obtain adequate financing or financing on terms satisfactory to us, if we require it, our ability to continue to pursue our business objectives and to respond to business opportunities, challenges, or unforeseen circumstances could be significantly limited, and could have a material adverse effect on our business, financial condition, results of operations and prospect. The sizes of the markets and forecasts of market growth for our Berkeley Lights Platform and other of our key performance indicators are based on a number of complex assumptions and estimates, and may be inaccurate. We estimate annual ~~total~~ **serviceable** addressable markets and forecasts of market growth for our Berkeley Lights Platform and for our technologies under development. We have also developed a standard set of key performance indicators in order to enable us to assess the performance of our business in and across multiple markets, and to forecast future revenue. These estimates, forecasts and key performance indicators are based on a number of complex assumptions, internal and third **-** party estimates and other business data, including assumptions and estimates relating to our ability to generate revenue from the development of new workflows. While we believe our assumptions and the data underlying our estimates and key performance indicators are reasonable, there are inherent challenges in measuring or forecasting such information. As a result, these assumptions and estimates may not be correct and the conditions supporting our assumptions or estimates may change at any time, thereby reducing the predictive accuracy of these underlying factors and indicators. As a result, our estimates of the annual ~~total~~ **serviceable** addressable market and our forecasts of market growth and future revenue for our current or future products may prove to be incorrect, and our key performance indicators may not reflect our actual performance. If the annual ~~total~~ **serviceable** addressable market or the potential market growth for our platform is smaller than we have estimated or if the key performance indicators we utilize to forecast revenue are inaccurate, it may impair our sales growth and have an adverse impact on our business, financial condition, results of operations and prospects. We face significant competition in the life sciences technology market. We currently compete with both established and early **-** stage life sciences technology companies **both in the United States and internationally** that design, manufacture and market systems, consumables, reagent kits and software for, among other applications, genomics, single- cell analysis, spatial analysis and immunology, and / or provide services related to the same. Growing understanding of the importance of single- cell information is leading to more companies offering services related to collecting such information. Potential competitors within our space include Danaher, Menarini Silicon Biosystems, Miltenyi Biotec and Sphere Fluidics Ltd., among others. In addition, our customers may also elect to develop their workflows on legacy systems rather than our platform and may decide to stop using our platform. Our competitors and potential competitors may enjoy a number of competitive advantages over us, including: • longer operating histories; • larger customer bases; • greater brand recognition and market penetration; • greater financial resources; • greater technological and research and development resources; • better system reliability and robustness; • greater selling and marketing capabilities; and • better established, larger scale and lower cost manufacturing capabilities. As a result, our competitors and potential competitors may be able to respond more quickly to changes in customer requirements, devote greater resources to the development, promotion and sale of their platforms or instruments than we can or sell their platforms or instruments, or offer services competitive with our platform and services at prices designed to win significant levels of market share. We may not be able to compete ~~effectively~~ against these organizations **. Additionally, technologies developed by our competitors may render our potential products uneconomical or obsolete, and we may not be successful in marketing our products against the products of our competitors** . In addition, competitors may be acquired by, receive investments from or enter into other commercial relationships with larger, well- established and well- financed companies. Certain of our competitors may be able to secure key inputs from vendors on more favorable terms, devote greater resources to marketing and promotional campaigns, adopt more aggressive pricing policies and devote substantially more resources to product development than we can. **Any failure** ~~If we are unable~~ to compete **effectively** ~~successfully against current and future competitors, we may be unable to increase market adoption and sales of our platform, which~~ could **materially and adversely affect** ~~prevent us from increasing our revenue or~~ **our business** ~~achieving profitability. We must develop new products~~ , **financial condition** adapt to rapid and significant technological change....., in which case our competitive position and operating results ~~could suffer. Accordingly, we focus significant efforts and resources on the development and identification of new technologies, products and markets to further broaden our offerings. To the extent we fail to timely introduce new and innovative products or services, adequately predict our customers' needs or fail to obtain desired levels of market acceptance, our business may suffer and our operating results could be adversely affected. If we do not successfully manage the development and launch of new products, our operating results could be adversely affected. Further development and commercialization of our current and future products are key elements of our growth strategy~~ . For **additional information regarding** ~~example, we launched~~ our **competition** ~~Lightning system in June 2019 and were required to make significant investments in resources to facilitate the successful commercialization of the system. During the year ended December 31~~ , **see " Item** ~~2020, we launched our Culture Station instrument and also launched three new workflows, Opto Plasma B Discovery 2. 0, Opto Cell Line Development 2. 0 and Opto Viral Neutralization~~ 1. ~~0, and during the year ended December 31, 2021, we launched several new workflows and assays, including Opto Plasma B Discovery 4. 0 workflow. We intend to launch additional new products and new versions of existing products in the next six to twelve months. The expenses or losses associated with unsuccessful product development or launch activities, our inability to improve the functionality or reliability and robustness of our current products, or lack of market acceptance of our new products could adversely affect our business~~ **Business - Competition** ~~, financial condition, results of operations and prospects~~ . **"** ~~For example, in the year ended December 31, 2021, our revenues from sales of the Lightning system and from the Culture Station instrument were lower than expected. This future growth could create strain on our organizational, administrative and operational infrastructure, including laboratory operations, quality control, customer service and sales organization management.~~ We may be unable to manage our

future growth effectively, which could make it difficult to execute our business strategy. ~~Since 2017, we have experienced rapid growth and anticipate further growth in our business operations.~~ Our growth between 2017 and ~~2021~~ **2022** has required significant time and attention from our management, and placed strains on our operational and manufacturing systems and processes, financial systems and internal controls and other aspects of our business. We expect to continue to increase headcount and to hire more specialized personnel in the future as we grow our business. We will need to continue to hire, train and manage additional qualified scientists, engineers, laboratory personnel, client and account services personnel and sales and marketing staff and improve and maintain our technology to properly manage our growth. We may also need to hire, train and manage individuals with expertise that is separate, supplemental or different from expertise that we currently have, and accordingly we may not be successful in hiring, training and managing such individuals. If our new hires perform poorly, if we are unsuccessful in hiring, training, managing and integrating these new employees, or if we are not successful in retaining our existing employees, our business may be harmed. Developing and launching new products and innovating and improving our existing products have required us to hire and retain additional scientific, engineering, sales and marketing, software, manufacturing, distribution and quality assurance personnel. As a result, we have experienced rapid headcount growth from 107 employees as of March 31, 2017 to ~~293~~ **285** employees as of December 31, ~~2021~~ **2022** . As we have grown, our employees have become more geographically dispersed. We currently serve customers ~~located~~ in ~~approximately nine countries~~ **North America, Asia Pacific and Europe** and plan to continue to expand to new international jurisdictions as part of our growth strategy, which will lead to increased dispersion of our employees, including sales employees and employees who are in our service and support groups. Moreover, we expect that we will need to hire additional accounting, finance and other personnel in connection with our efforts to comply with the requirements of being, a public company. As a public company, our management and other personnel will need to devote a substantial amount of time towards maintaining compliance with these requirements. We may face challenges integrating, developing and motivating our rapidly growing and increasingly dispersed employee base. We may not be able to maintain the quality, reliability or robustness of our platform, or the expected turnaround times of our services and support, or to satisfy customer demand as it grows. Our ability to manage our growth properly will require us to continue to improve our operational, financial and management controls, as well as our reporting systems and procedures. To effectively manage our growth, we must continue to improve our operational and manufacturing systems and processes, our financial systems and internal controls and other aspects of our business and continue to effectively expand, train and manage our personnel. The time and resources required to improve our existing systems and procedures, implement new systems and procedures and to adequately staff such existing and new systems and procedures is uncertain, and failure to complete this in a timely and efficient manner could adversely affect our operations and negatively impact our business and financial results. We depend on our information technology systems, and any ~~failure~~ **material disruptions** of these systems could harm our business. We depend on information technology and telecommunications systems for ~~significant elements~~ **the efficient functioning** of our ~~operations~~ **business** , including our laboratory information management system, our computational biology system, our software suite, including our ~~Cell Analysis Suite (~~ CAS ~~)~~ , our knowledge management system, our customer reporting, our workflows and our platform, comprising our OptoSelect chips and reagent kits, advanced automation systems, and advanced application and workflow software. We have installed, and expect to expand, a number of enterprise software systems that affect a broad range of business processes and functional areas, including for example, systems handling human resources, financial controls and reporting, contract management, regulatory compliance and other infrastructure operations. For example, in 2019, we implemented a new enterprise resource planning system, and in 2021, we **implemented** ~~began implementation of~~ a new customer relationship management ~~, or CRM,~~ system. These implementations were expensive and required a significant effort in terms of both time and effort. In addition to the aforementioned business systems, we intend to extend the capabilities of both our preventative and detective security controls by augmenting the monitoring and alerting functions, the network design and the automatic countermeasure operations of our technical systems. These information technology and telecommunications systems support a variety of functions, including manufacturing operations, laboratory operations, data analysis, quality control, customer service and support, billing, research and development activities, scientific and general administrative activities. Information technology and telecommunications systems are vulnerable to damage from a variety of sources, including telecommunications or network failures, malicious software, bugs or viruses, human acts and natural disasters. Moreover, despite network security and back- up measures, some of our servers are potentially vulnerable to physical or electronic break-ins, computer viruses and similar disruptive problems. Any disruption or loss of information technology or telecommunications systems on which critical aspects of our operations depend could have ~~an~~ **a material** adverse effect on our business and our reputation, and we may be unable to regain or repair our reputation in the future. We have limited experience in marketing and sales, and if we are unable to expand our marketing and sales organization to adequately address our customers' needs, our business may be adversely affected. We have limited experience in marketing and selling our products. We may not be able to market, sell or distribute our current products, or future products that we may develop, effectively enough to support our planned growth. Competition for employees capable of selling expensive instruments within the pharmaceutical and biotechnology industries is intense. We may not be able to attract and retain personnel or be able to build an efficient and effective sales organization, which could negatively impact sales and market acceptance of our products and limit our revenue growth and potential profitability. In addition, the time and cost of establishing a specialized sales, marketing and service force for a particular product or service may be difficult to justify in light of the revenue generated or projected. Our expected future growth will impose significant added responsibilities on members of management, including the need to identify, recruit, maintain and integrate additional employees. Our future financial performance and our ability to commercialize our products and to compete effectively will depend, in part, on our ability to manage this potential future growth effectively, without compromising quality. We rely on distributors for the sale of our products in certain countries outside of the United States, in some cases, in addition to direct sales in such countries. We exert limited control over these distributors under our agreements with them, and if their sales

and marketing efforts for our products in the region are not successful, our business would be materially and adversely affected. Locating, qualifying and engaging distribution partners with local industry experience and knowledge will be necessary in at least the short - to mid- term to effectively market and sell our platform in certain countries outside the United States. We may not be successful in finding, attracting and retaining distribution partners, or we may not be able to enter into such arrangements on favorable terms. Even if we are successful in identifying distributors, such distributors may engage in sales practices that violate local laws or our internal policies. Furthermore, sales practices utilized by any such distribution parties that are locally acceptable may not comply with sales practices standards required under U. S. laws that apply to us, which could create additional compliance risk. If our sales and marketing efforts by us or our distributors are not successful outside the United States, we may not achieve significant market acceptance for our products outside the United States, which would materially and adversely impact our business, financial condition, results of operations and prospects. We may acquire businesses or form joint ventures or make investments in other companies or technologies that could negatively affect our operating results, dilute our stockholders' ownership, increase our debt or cause us to incur significant expense. ~~We may~~ **As part of our business strategy, we** pursue acquisitions of businesses and assets. We also may pursue strategic alliances and joint ventures that leverage our technologies and industry experience to expand our offerings or distribution. **For example, on December 21, 2022, we announced a definitive agreement under which we will acquire IsoPlexis in an all- stock transaction valued at $ 57. 8 million.** We **cannot assure you that any acquisition agreements we may enter into, including the agreement pursuant to which we will acquire IsoPlexis, will result in an acquisition. In addition, we cannot assure you that any acquisitions we complete will be successful as acquisitions can be unsuccessful for a number of reasons, many being beyond our control, including the following: • We may incur significant expenses and devote significant management time to the acquisition and we may be unable to consummate the acquisition on acceptable terms; • The integration of any acquisition with our existing business may be difficult and, if we are not able to integrate the business successfully, we may not only be unable to operate the business profitably, but management may be unable to devote the necessary time to the development of our existing business; • The key employees who operated the acquired business successfully prior to the acquisition may not be happy working for us and may resign, thus leaving the business without the necessary continuity of management; • Even if the business is successful, our senior executive officers may need to devote significant time to the acquired business, which may distract them from their other management activities; • If the business does not operate as we expect, we may incur an impairment charge based on the value of the assets acquired; • To the extent that an acquired company operates at a loss prior to our acquisition, we may not be able to develop profitable operations following the acquisition; • The acquired company may** have **liabilities or obligations which were** ~~no~~ **not disclosed to us, or the acquired assets, including any intellectual property, may not have the value we anticipated; • The assets, including intellectual property, of the acquired company may not have the value that we anticipated; • We may require significant capital both to acquire and to operate the business, and the capital requirements of the business may be greater than we anticipated. Our failure to obtain funds on reasonable terms may impair the value of the acquisition; • The acquired company may not operate at the revenue level or with the gross margin shown in the financial statements or projections; • Patents may not be granted for patent applications which the acquired company filed or patents may be successfully challenged; • There may be conflicts in management styles that prevent us from integrating the acquired company with us; • The former equity owners or officers may compete in violation of their non- competition covenants or the non- competition covenants may be held to be unenforceable; • The business of the acquired company may have problems of which management was unaware and which do not become evident until after the acquisition and we may require significant funding to remedy the problem; • The indemnification obligations of the seller under the purchase agreement, if any, may be inadequate to compensate us for any loss, damage or expense which we may sustain, including undisclosed claims or liabilities; • To the extent that the acquired company is dependent upon its management to maintain relationships with existing customers, we may have difficulty in retaining the business of these customers if there is a change in management; • Government agencies may seek damages after we make the acquisition for conduct which occurred prior to the acquisition, and we may not have adequate recourse against the seller. For example, if the IsoPlexis Acquisition is closed, we anticipate that we will use significant capital and incur operating losses in the near term to operate the combined company, and we may not achieve the anticipated benefits of the IsoPlexis Acquisition on our anticipated timeframe or at all and our revenue, expenses, operating results, financial condition and stock price could be materially adversely affected. If we are unable to successfully complete any acquisitions, including the pending acquisition of IsoPlexis, or integrate an acquired business successfully and in a timely manner, for the above reasons, our business may be significantly adversely impacted. Furthermore, we have little** experience with acquiring other companies and limited experience with forming strategic partnerships. We may not be able to find suitable partners or acquisition candidates, and we may not be able to complete such transactions on favorable terms, if at all. The competition for partners or acquisition candidates may be intense, and the negotiation process will be time- consuming and complex ~~. If we make any acquisitions, we may not be able to integrate these acquisitions successfully into our existing business, these acquisitions may not strengthen our competitive position, the transactions may be viewed negatively by customers or investors, we may be unable to retain key employees of any acquired business, relationships with key suppliers, manufacturers or customers of any acquired business may be impaired due to changes in management and ownership, and we could assume unknown or contingent liabilities. Any future acquisitions also could result in the incurrence of debt, contingent liabilities or future write- offs of intangible assets or goodwill, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects. We cannot guarantee that we will be able to fully recover the costs of any acquisition. Integration of an acquired company also may disrupt ongoing operations and require management resources that we would otherwise focus on developing our existing business. We may not realize the anticipated benefits of any acquisition, technology license, strategic alliance or joint venture.~~

~~We also may experience losses related to investments in other companies, which could have a material adverse effect on our business, financial condition, results of operations and prospects~~ . To finance any acquisitions or joint ventures, we may choose to issue shares of our common stock as consideration, which would dilute the ownership of our stockholders. Additional funds may not be available on terms that are favorable to us, or at all. If the price of our common stock is low or volatile, we may not be able to acquire companies or fund a joint venture project using our stock as consideration. **The failure to complete our acquisition of IsoPlexis may adversely affect our business and our stock price. Consummation of the IsoPlexis Acquisition is subject to the satisfaction or waiver of customary closing conditions, including (i) the expiration or termination of the waiting period under the Hart- Scott- Rodino Antitrust Improvement Act of 1976 and clearance under the antitrust laws of the European Union and certain other jurisdictions, (ii) the receipt by IsoPlexis of a tax opinion regarding the U. S. federal income tax treatment of certain aspects of the IsoPlexis Acquisition, (iii) the absence of certain orders or laws preventing consummation of the IsoPlexis Acquisition, (iv) authorization for listing additional shares of our common stock on Nasdaq, and (v) the absence of a material adverse effect with respect to either us or IsoPlexis. There can be no assurance that these or other closing conditions will be satisfied in a timely manner or at all. Any delay in completing the acquisition could cause us not to realize some or all of the anticipated benefits when expected, if at all. If the IsoPlexis Acquisition is not completed, our stock price could decline to the extent it reflects an assumption that we will complete the acquisition. Furthermore, if the IsoPlexis Acquisition is not completed, we may suffer other consequences that could adversely affect our business, results of operations and stock price, including incurring significant acquisition costs that we would be unable to recover, negative publicity and a negative impression of us in the investment community. Additionally, under certain specified circumstances, including the termination by either us or IsoPlexis because certain required regulatory clearances are not obtained, upon termination we would be required to pay IsoPlexis a termination fee of $ 2. 3 million.** Our loan and security agreement contains covenants, which restrict our operating activities, and we may be required to repay the outstanding indebtedness in an event of default, which could have a material adverse effect on our business, financial condition, results of operations and prospects. On May 23, 2018, we entered into a loan and security agreement **(" Loan Agreement ")** with East West Bank ~~, or the Lender,~~ **(" EWB ")** pursuant to which the Lender agreed to provide us a $ 20. 0 million term loan facility **(" Term Loan ")** . The full amount of the **Term** ~~loan~~ **Loan** was funded on May 23, 2018. On June 30, 2021 we entered into an **amended and restated loan and security agreement ("** Amended ~~and Restated~~ Loan ~~and Security~~ Agreement **")** ~~with the Lender~~ , which was used to refinance the ~~term~~ **Term** ~~loan~~ **Loan** outstanding under the ~~loan~~ **Loan** ~~and security agreement~~ **Agreement** ~~dated May 23, 2018~~ . The maturity date of the ~~term~~ **Term** ~~loan~~ **Loan as amended by the Amended Loan Agreement (" Amended Term Loan ")** is June 30, 2025. Until we have repaid such indebtedness ~~,~~ the **Amended** ~~loan~~ **Loan** ~~and security agreement~~ **Agreement** subjects us to various customary covenants, including requirements as to financial reporting, liquidity ratios and insurance and restrictions on our ability to dispose of our business or property, to change our line of business, to liquidate or dissolve, to enter into any change in control transaction, to merge or consolidate with any other entity or to acquire all or substantially all the capital stock or property of another entity, to incur additional indebtedness, to incur liens on our property, to pay any dividends or make other distributions on capital stock other than dividends payable solely in capital stock, to redeem capital stock, to enter into in- bound licensing agreements, to engage in transactions with affiliates, and to encumber our intellectual property. Our business may be adversely affected by these restrictions on our ability to operate our business. We are permitted to make interest only payments on the **Amended Term** ~~loan~~ **Loan** ~~facility~~ through June 2023, which can be extended up to June 2024 based on the achievement of certain liquidity measures, at which time amortization begins. However, we may be required to repay the outstanding indebtedness under the **Amended Term** ~~loan~~ **Loan** ~~facility~~ if an event of default occurs under the **Amended** ~~loan~~ **Loan** ~~and security agreement~~ **Agreement** . An event of default will occur if, among other things, we fail to make required payments under the **Amended Term** ~~loan~~ **Loan** ~~and security agreement~~ **Agreement** ; we breach any of our covenants under the **Amended Term** ~~loan~~ **Loan** ~~and security agreement~~ **Agreement** , subject to specified cure periods with respect to certain breaches; the ~~Lender~~ **East West Bank** determines that a material adverse change (as defined in the **Amended** ~~loan~~ **Loan** ~~and security agreement~~ **Agreement**) has occurred; we or our assets become subject to certain legal proceedings, such as bankruptcy proceedings; we are unable to pay our debts as they become due; or we default on contracts with third parties which would permit the third party to accelerate the maturity of such indebtedness or that could have a material adverse change on us. We may not have enough available cash or be able to raise additional funds through equity or debt financings to repay such indebtedness at the time any such event of default occurs. In such a case, we may be required to delay, limit, reduce or terminate our product development or operations or grant to others rights to develop and market products that we would otherwise prefer to develop and market ourselves. ~~The Lender~~ **East West Bank** could also exercise its rights as secured lender to take possession of and to dispose of the collateral securing the **Amended** ~~term~~ **Term** ~~loan~~ **Loan** , which collateral includes substantially all of our property (excluding intellectual property, which is subject to a negative pledge). Our business, financial condition, results of operations and prospects could be materially adversely affected as a result of any of these events. Our products could become subject to more onerous regulation by the FDA or other regulatory agencies in the future, which could increase our costs and delay or prevent commercialization of our products, thereby materially and adversely affecting our business, financial condition, results of operations and prospects. We make our platform, including our OptoSelect chips and reagent kits, advanced automation systems, and advanced application and workflow software available to customers as ~~research- use- only, or~~ RUO ~~,~~ products. RUO products are regulated by the FDA as medical devices, and include in vitro diagnostic products in the laboratory research phase of development that are being shipped or delivered for an investigation that is not subject to the FDA' s investigational device exemption requirements. Although medical devices are subject to stringent FDA oversight, products that are intended for RUO and are labeled as RUO are exempt from compliance with most FDA requirements, including premarket clearance or approval, manufacturing requirements, and others. A product labeled RUO but which is actually intended for

clinical diagnostic use may be viewed by the FDA as adulterated and misbranded under the ~~Federal Food, Drug, and Cosmetic Act, or~~ FDCA, and subject to FDA enforcement action. The FDA has indicated that when determining the intended use of a product labeled RUO, the FDA will consider the totality of the circumstances surrounding distribution and use of the product, including how the product is marketed and to whom. The FDA could disagree with our assessment that our products are properly marketed as RUOs, or could conclude that products labeled as RUO are actually intended for clinical diagnostic use, and could take enforcement action against us, including requiring us to stop distribution of our products until we are in compliance with applicable regulations, which would reduce our revenue, increase our costs and adversely affect our business, prospects, results of operations and financial condition. In the event that the FDA requires us to obtain marketing authorization of our RUO products in the future, there can be no assurance that the FDA will grant any clearance or approval requested by us in a timely manner, or at all. We may also in the future decide to develop medical device products that we expect to be intended for clinical or diagnostic uses. In the United States, before we can market a new medical device, or a new use of, new claim for or significant modification to an existing product, we must first receive either clearance under Section 510 (k) of the FDCA, or approval of a premarket approval application from the FDA, unless an exemption applies. The process of obtaining approval or clearance from the FDA for new products, or with respect to enhancements or modifications to existing products, could take a significant period of time, require the expenditure of substantial resources, involve rigorous pre- clinical and clinical testing, require changes to products or result in limitations on the indicated uses of products. There can be no assurance that we will receive the required approvals or clearances for any new products or for modifications to our existing products on a timely basis or that any approval or clearance will not be subsequently withdrawn or conditioned upon extensive post- market study requirements. Moreover, even if we receive FDA clearance or approval of new products or modifications to existing products, we will be required to comply with extensive regulations relating to the development, research, clearance, approval, distribution, marketing, advertising and promotion, manufacture, adverse event reporting, recordkeeping, import and export of such products, which may substantially increase our operating costs and have a material impact on our business, profits and results of operations. Failure to comply with applicable regulations could jeopardize our ability to sell our products and result in enforcement actions such as: warning letters, fines, injunctions, civil penalties, termination of distribution, recalls or seizures of products, delays in the introduction of products into the market, total or partial suspension of production, refusal to grant future clearances or approvals, withdrawals or suspensions of current approvals, resulting in prohibitions on sales of our products, and in the most serious cases, criminal penalties. Occurrence of any of the foregoing could harm our reputation, business, financial condition, results of operations and prospects. Due to the significant resources required to enable access in new markets, we must make strategic and operational decisions to prioritize certain markets, technology offerings or partnerships. We may expend our resources to access markets, develop technologies or form certain partnerships that do not yield meaningful revenue or we may fail to capitalize on markets, technologies or partnerships that may be more profitable or with a greater potential for success. We believe our platform has potential applications across a wide range of markets and we have targeted certain markets in which we believe our technology has significant advantages, or for which we believe we have a higher probability of success or revenue opportunity or for which the path to commercialize products and realizing or achieving revenue is shorter. For example, in 2018 we entered into engagements regarding cell therapies with certain cancer centers and with an academic institution, in 2019 we entered into engagements with several synthetic biology companies, including Amyris **, Inc.** and Ginkgo, and in 2021 we entered into a strategic collaboration with Thermo Fisher Scientific **, Inc.** aimed at addressing challenges in commercial- scale viral vector manufacturing and also entered into an agreement with Bayer ~~Crop Science~~ **CropScience** to accelerate and expand the discovery and development of Bayer ~~Crop Science~~ **CropScience** ' s seeds and traits product pipeline. We seek to maintain a process of prioritization and resource allocation among our programs to maintain a balance between advancing near- term opportunities and exploring additional markets for our technology. However, due to the significant resources required for the development of workflows for new markets, we must make decisions on which markets to pursue and the amount of resources to allocate to each. Our decisions concerning the allocation of research, development, collaboration, management and financial resources toward particular markets or workflows may not lead to the development of any viable product and may divert resources away from better opportunities. Similarly, our potential decisions to delay, terminate or collaborate with third parties in respect of certain markets may subsequently also prove to be suboptimal and could cause us to miss valuable opportunities. In particular, if we are unable to develop additional relevant workflows for markets such as antibody therapeutics, cell therapy or the synthetic biology market it could slow or stop our business growth and negatively impact our business, financial condition, results of operations and prospects. If we were to be sued for product liability, we could face substantial liabilities that exceed our resources. The marketing, sale and use of our products could lead to the filing of product liability claims were someone to allege that our products identified inaccurate or incomplete information regarding the cells analyzed or otherwise failed to perform as designed. We may also be subject to liability for errors in, a misunderstanding of or inappropriate reliance upon, the information we provide in the ordinary course of our business activities. A product liability claim could result in substantial damages and be costly and time- consuming for us to defend. We maintain product liability insurance, but this insurance may not fully protect us from the financial impact of defending against product liability claims. Any product liability claim brought against us, with or without merit, could increase our insurance rates or prevent us from securing insurance coverage in the future. Additionally, any product liability lawsuit could damage our reputation, or cause current customers to terminate existing agreements and potential clinical partners to seek other partners, any of which could impact our business, financial condition, results of operations and prospects. If our Emeryville, California operating facility becomes damaged or inoperable or we are required to vacate our existing facility, our ability to conduct and pursue our research and development efforts may be jeopardized. We currently derive the majority of our revenue based upon scientific and engineering research and development, testing and manufacturing conducted at a single facility located in Emeryville, California. Our facility and equipment could be harmed or rendered inoperable or inaccessible by natural or man- made disasters

or other circumstances beyond our control, including fire, earthquake, power loss, communications failure, war or terrorism, or another catastrophic event, such as a pandemic or similar **infectious disease** outbreak or public health crisis, which may render it difficult or impossible for us to support our customers and develop updates, upgrades and other improvements to our **products** ~~OptoSelect chips and reagent kits, advanced automation systems, and advanced application and workflow software for some period of time~~ . While we have small laboratory facilities in ~~Massachusetts,~~ Cambridge, U. K. and Shanghai, People' s Republic of China **(" PRC ")** , the inability to address system issues or manufacture consumables and reagent kits could develop if our facility is inoperable or suffers a loss of utilization for even a short period of time, may result in the loss of customers or harm to our reputation, and we may be unable to regain those customers or repair our reputation in the future. Furthermore, our facility and the equipment we use to perform our research and development work could be unavailable or costly and time- consuming to repair or replace. It would be difficult, time- consuming and expensive to rebuild our facility, to locate and qualify a new facility or license or transfer our proprietary technology to a third party. Even in the event we are able to find a third party to assist in research and development efforts, we may be unable to negotiate commercially reasonable terms to engage with the third party. We carry insurance for damage to our property and the disruption of our business, but this insurance may not cover all of the risks associated with damage or disruption to our business, may not provide coverage in amounts sufficient to cover our potential losses and may not continue to be available to us on acceptable terms, if at all. Our insurance policies are expensive and protect us only from some business risks, which leaves us exposed to significant uninsured liabilities. We do not carry insurance for all categories of risk that our business may encounter and our policies have limits and significant deductibles. Some of the policies we currently maintain include general liability, property, umbrella and directors' and officers' insurance. Any additional product liability insurance coverage we acquire in the future, may not be sufficient to reimburse us for any expenses or losses we may suffer. Moreover, insurance coverage is becoming increasingly expensive and in the future we may not be able to maintain insurance coverage at a reasonable cost ~~or ,~~ in sufficient amounts **or at all** to protect us against losses. A successful product liability claim or series of claims in which judgments exceed our insurance coverage could adversely affect our business, financial condition, results of operations and prospects, including preventing or limiting the commercialization of any products we develop. We also expect that operating as a public company will make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified people to serve on our board of directors, our board committees or as executive officers. We do not know, however, if we will be able to maintain existing insurance with adequate levels of coverage. Any significant uninsured liability may require us to pay substantial amounts, which would adversely affect our business, financial condition, results of operations and prospects. Public health crises such as the current COVID- 19 pandemic or similar **infectious disease** outbreaks have impacted and may continue to cause impacts in our business. **We face risks related to epidemics, infectious diseases outbreaks or other public health crises that are outside of our control and could significantly disrupt our operations and severely adversely impact our business.** ~~The~~ **These potential severe adverse impacts are difficult to predict, and the extent to which they may negatively affect our business, financial condition, results of operations and prospects is uncertain. As a result of the ongoing** COVID- 19 pandemic ~~continues to evolve and has impacted our business, and may continue to impact our business. As a result of the COVID- 19 outbreak~~ , or similar pandemics ~~and~~ **, infectious disease** outbreaks **or public health crises** , we have and may in the future experience severe disruptions, including: • interruption of or delays in receiving products and supplies from the third parties we rely on to, among other things, manufacture components to our systems or chips or to produce reagent kits for our workflows, due to staffing shortages, production slowdowns or stoppages and disruptions in delivery systems, which may impair our ability sell our products; • limitations on our business operations by local, state, or the federal government that could impact our ability to sell our products; • on- site visit limitations and prohibitions imposed by customers that could impact our ability to engage in pre- sales activities, such as in- person seminars and informational meetings on our Berkeley Lights Platform, and to provide post- sale activities, such as installation and verification, training and service and support; • delays in customers' purchasing decisions and negotiations with customers and potential customers; • slow- downs, delays or push- outs of customers' use of our systems and the rate at which our consumables for the systems are used by the customers; • business disruptions caused by workplace, laboratory and office closures and an increased reliance on employees working from home, travel limitations, cyber security and data accessibility, or communication or mass transit disruptions; and • limitations on employee resources that would otherwise be focused on the conduct of our activities, including because of sickness of employees or their families or the desire of employees to avoid contact with large groups of people. ~~In addition, in response to the spread of COVID- 19, and in accordance with direction from state and local government authorities, we have restricted access to our facilities mostly to personnel and third parties who must perform critical activities that must be completed on- site, limited the number of such personnel that can be present at our facilities at any one time, and requested that most of our personnel work remotely. While changes to masking requirements were announced by the Center for Disease and Prevention, or CDC, and the State of California in February 2022, we currently have a majority of our employees working remotely and have established rules directing employees who are able to productively work remotely to do so.~~ Any **potential** ~~increased reliance on personnel working from home may negatively~~ impact ~~productivity, or disrupt, delay or otherwise adversely impact our business, which includes research and development work that is dependent on a laboratory. In addition, our remote work force could increase our cyber security risk, create data accessibility concerns and make us more susceptible to communication disruptions, any of which could adversely impact our business operations or delay necessary interactions with local and federal regulators, ethics committees, manufacturing sites, research or clinical trial sites and other important agencies and contractors. In the event that government authorities were to further modify current restrictions, for example by increasing recently relaxed restrictions, our employees conducting research and development or manufacturing activities may not be able to access our laboratory or manufacturing space, and our core activities may be significantly limited or curtailed, possibly for an~~

~~extended period of time. Continuation of the COVID- 19 pandemic may severely impact our business, including slower than anticipated revenue growth, delays in our research and development activities such new product development and introduction and collaboration and partnership program activities with third parties, or delay necessary interactions with local regulators, manufacturing sites and other important contractors and customers. These and other factors arising from the COVID- 19 pandemic could worsen in countries that are already afflicted with COVID- 19, could continue to spread to additional countries, or could return to countries where the pandemic has been partially contained, and could further adversely impact our ability to conduct our business generally and have a material adverse impact on our operations and financial condition and results. The extent to which the outbreak may negatively impact our operations and results of operations or those of our third party manufacturers, suppliers, partners or customers~~ will depend on future developments ~~, which are highly uncertain~~ and ~~cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, additional or modified government actions,~~ new information that ~~will~~ **may** emerge ~~concerning~~ **regarding any to epidemics, infectious diseases outbreaks or other public health crises or the efficacy and distribution of potential vaccines, and the actions taken by authorities to contain** ~~the~~ **them** ~~severity and~~ **or treat their** impact **, all** of **which are beyond our control. These potential impacts, while uncertain, could adversely affect our operating results. The extent to which any epidemics, infectious disease outbreaks or other public health crises, including the ongoing** COVID- 19 **epidemic may negatively** ~~and actions to contain the outbreak or treat its~~ impact **our business is highly uncertain as it depends on factors beyond our control** , such as ~~social distancing~~ **the infection rate** , **the efficacy and distribution of potential vaccines or the actions taken by authorities, including** quarantines, lock- downs or business closures. Security breaches, loss of data and other disruptions could compromise sensitive information related to our business or prevent us from accessing critical information and expose us to liability, which could adversely affect our business and our reputation. In the ordinary course of our business, we collect and store sensitive data, including ~~personally~~ - - **personal** ~~identifiable~~ information, intellectual property and proprietary business information owned or controlled by ourselves ~~or our employees~~ , customers and other parties. We manage and maintain our applications and data utilizing a combination of on- site systems and cloud- based data centers. We utilize external security and infrastructure vendors to manage parts of our data centers. These applications and data encompass a wide variety of business- critical information, including research and development information, patient data, commercial information and business and financial information. We face a number of risks relative to protecting this critical information, including loss of access risk, inappropriate use or disclosure, unauthorized access, inappropriate modification **, data corruption** and the risk of our being unable to adequately monitor and audit and modify our controls over our critical information. This risk extends to the third **-** party vendors and subcontractors we use to manage this ~~sensitive~~ data or otherwise process it on our behalf. The secure processing, storage, maintenance and transmission of this critical information are vital to our operations and business strategy ~~,~~ ~~and we devote significant resources to protecting such information~~ . Although we take ~~reasonable~~ measures **designed** to protect ~~sensitive~~ data from unauthorized access, use or disclosure, no security measures can be perfect and our information technology and infrastructure may be vulnerable to attacks by hackers or viruses or breached due to employee error, malfeasance or other malicious or inadvertent disruptions. Any such breach or interruption could compromise our networks and the information stored there could be accessed by unauthorized parties, publicly disclosed, **altered,** lost or stolen. Any such access, breach, or other loss of information could result in legal claims or proceedings, and liability under **U. S.** federal or state **laws and / or laws of other jurisdictions, including** laws that protect the privacy of personal information, and regulatory penalties. Notice of breaches may be required to affected **parties,** individuals, the Secretary of the Department of Health and Human Services **, State Attorneys General,** or other state, federal or foreign regulators, and for extensive breaches, notice may need to be made to the media ~~or State Attorneys General~~ . Such a notice could harm our reputation and our ability to compete. Although we have implemented security measures **designed** ~~and a formal, dedicated enterprise security program~~ to prevent unauthorized access to patient data, such data is currently accessible through multiple channels, and there is no guarantee we can protect our data from breach. Unauthorized access, loss or dissemination could also disrupt our operations and damage our reputation, any of which could adversely affect our business. We are currently subject to, and may in the future become subject to additional, U. S., state and foreign laws and regulations imposing obligations on how we collect, store and process personal information. Our actual or perceived failure to comply with such obligations could harm our business. Ensuring compliance with such laws could also impair our efforts to maintain and expand our customer base, and thereby decrease our revenue. We are, and may increasingly become, subject to various laws and regulations, as well as contractual obligations, relating to data privacy and security in the jurisdictions in which we operate. The regulatory environment related to data privacy and security is increasingly rigorous, with new and constantly changing requirements applicable to our business, **including for the processing of sensitive personal information such as health data,** and enforcement practices are likely to remain uncertain for the foreseeable future. These laws and regulations may be interpreted and applied differently over time and from jurisdiction to jurisdiction, and it is possible that they will be interpreted and applied in ways that may have a material adverse effect on our business, financial condition, results of operations and prospects. In the United States, various federal and state regulators, including governmental agencies like the Consumer Financial Protection Bureau and the Federal Trade Commission **(" FTC ")** , have adopted, or are considering adopting, laws and regulations concerning personal information and data security. Certain state laws may be more stringent or broader in scope, or offer greater individual rights, with respect to personal information than federal, international or other state laws, and such laws may differ from each other, all of which may complicate compliance efforts. For example, the California Consumer Privacy Act, ~~or~~ **as amended by the California Privacy Rights Act ("** CCPA ~~, which increases~~ **") has expanded** privacy rights for California residents and imposes obligations on companies that process their personal information ~~, came into effect on January 1, 2020~~ . Among other things, the CCPA requires covered companies to provide new disclosures to California consumers and provide such consumers new data protection and privacy rights, including the ability to opt ~~-~~ out of certain sales of personal information. The CCPA provides for civil penalties for violations, as well as a private right of action for certain data

breaches that result in the loss of personal information. This private right of action may increase the likelihood of, and risks associated with, data breach litigation. In addition, laws in all 50 U. S. states require businesses to provide notice to ~~consumers~~ **individuals** whose personal information has been disclosed as a result of a data breach. State laws are changing rapidly and there ~~is~~ **has been continuing** discussion in the U. S. Congress of **creating** a new comprehensive federal data privacy law to which we ~~would~~ **may** become subject if it is enacted. Internationally, laws, regulations and standards in many jurisdictions apply broadly to the collection, use, retention, security, disclosure, transfer and other processing of personal information. For example, the **European Union** ~~E. U.~~ General Data Protection Regulation ~~, or~~ **(“** GDPR **”)** , ~~which became effective in May 2018, greatly increased the European Commission’ s jurisdictional reach of its laws and adds a broad array of requirements for handling personal data. EU member states are tasked under the GDPR to enact, and have enacted, certain implementing legislation that adds to and / or further interprets the GDPR requirements and potentially extends our obligations and potential liability for failing to meet such obligations. The GDPR, together with national legislation, regulations and guidelines of the EU member states and the United Kingdom governing the processing of personal data, impose~~ **imposes** strict obligations and restrictions on the ability to collect, use, retain, protect, disclose, transfer and otherwise process personal ~~data~~ **information** . In particular, the GDPR includes obligations and restrictions concerning the consent and rights of individuals to whom the personal ~~data~~ **information** relates, the transfer of personal ~~data~~ **information** out of the European Economic Area ~~or~~ **to countries that have not been determined by** the ~~United Kingdom~~ **EU to provide an adequate level of data protection** , security breach notifications and the security and confidentiality of personal ~~data~~ **information** . The GDPR authorizes fines for certain violations of up to 4 % of global annual revenue or € 20 million, whichever is greater. **The United Kingdom has adopted similarly rigorous data protection legislation, which authorizes fines of a similar scale to those under the EU GDPR. A single incident could therefore result in significant fines under both the GDPR and UK law. In addition, many other countries around the world are developing and expanding their data protection legislation.** All of these evolving compliance and operational requirements impose significant costs, such as costs related to organizational changes, implementing additional protection technologies, training employees and engaging consultants, which are likely to increase over time. In addition, such requirements may require us to modify our data processing practices and policies, ~~distract~~ **require inordinate** management **time,** or divert resources from other initiatives and projects, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Any failure or perceived failure by us to comply with any applicable federal, state or similar foreign laws and regulations relating to data privacy and security could result in damage to our reputation, as well as proceedings or litigation by governmental agencies or other third parties, including class action privacy litigation in certain jurisdictions, which would subject us to significant fines, sanctions, awards, penalties or judgments, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects. International expansion of our business exposes us to business, regulatory, political, operational, financial and economic risks associated with doing business outside of the United States. **Our** ~~We currently have limited international operations, but our~~ business strategy incorporates potentially significant international expansion. We currently maintain relationships with distributors outside of the United States and may in the future enter into new distributor relationships. We may also extend laboratory capabilities outside of the United States, both directly and possibly indirectly. Doing business internationally involves a number of risks, including: • multiple, conflicting and changing laws and regulations such as privacy regulations, tax laws, export **controls** and import restrictions, tariffs, economic sanctions and embargoes, employment laws, regulatory requirements and other governmental approvals, permits and licenses; • failure by us or our distributors to obtain approvals to conduct our business in various countries; • differing intellectual property rights; • complexities and difficulties in obtaining intellectual property protection, enforcing our intellectual property and defending against third **-** party intellectual property claims; • difficulties in staffing and managing foreign operations; • logistics and regulations associated with shipping systems and parts and components for systems, consumables and reagent kits, as well as transportation delays; • travel restrictions that limit the ability of marketing, presales, sales, services and support teams to service customers; • financial risks, such as longer payment cycles, difficulty collecting accounts receivable, the impact of local and regional financial crises on demand and payment for our products and exposure to foreign currency exchange rate fluctuations; • international trade disputes that could result in tariffs and other protective measures; • natural disasters, political and economic instability, including wars, terrorism and political unrest, outbreak of disease, boycotts, curtailment of trade and other business restrictions; and • regulatory and compliance risks that relate to maintaining accurate information and control over sales and distributors’ activities that may fall within the purview of the U. S. Foreign Corrupt Practices Act ~~, or~~ **(“** FCPA **”)** , its books and records provisions, or its anti- bribery provisions. Any of these factors could significantly harm our future international expansion and operations and, consequently, our business, financial condition, results of operations and prospects. In addition, certain international markets are subject to significant political and economic uncertainty, including for example the effect of the withdrawal of the United Kingdom from the European Union. Significant political and economic developments in international markets for which we intend to operate, or the perception that any of them could occur, creates further challenges for operating in these markets in addition to creating instability in global economic conditions. We **are subject to** ~~could be adversely affected by violations of the FCPA and the~~ anti-bribery ~~and~~ **,** anti- corruption **, anti- money laundering, economic sanctions, and export control** laws ~~of the United States~~ **, and non- compliance with such laws could adversely affect** ~~or~~ **our** ~~other countries~~ **business, financial condition, and results of operations and prospects** . We are subject to the FCPA, which among other things prohibits companies and their intermediaries from making payments in violation of law to non- U. S. government officials for the purpose of obtaining or retaining business or securing any other improper advantage **, as well as U. S. domestic bribery laws** . We have engaged independent distributors in the past and currently use ~~an~~ **certain** independent ~~distributor~~ **distributors** to sell our platform and solutions outside of the United States. Our reliance on independent distributors to sell the Berkeley Lights Platform internationally demands a high degree of vigilance in maintaining our policy against participation in corrupt activity, because

these distributors could be deemed to be our agents and we could be held responsible for their actions. Other U. S. companies in the biotechnology and biopharmaceutical field have faced criminal penalties under the FCPA for allowing their agents to deviate from appropriate practices in doing business with these individuals. We are also subject to similar anti- bribery **and anti- corruption** laws in the jurisdictions in which we operate, including the United Kingdom' s Bribery Act of 2010, which also prohibits commercial bribery and makes it a crime for companies to fail to prevent bribery, and the **PRC** ~~People' s Republic of China~~ anti- bribery laws, including the PRC Anti- Unfair Competition Law amended in 2017 ~~,~~ **and** the PRC Criminal Law amended in 2017. These laws are complex and far- reaching in nature, and, as a result, we cannot assure ~~you~~ that we would not be required in the future to alter one or more of our practices to be in compliance with these laws or any changes in these laws or the interpretation thereof. **As we expand further internationally, we may engage additional distributors, business partners, agents, representatives, or other third parties to sell our products. In so doing, we or our third parties may have direct or indirect interactions with government officials. We can be held liable for the corrupt or other illegal activities of these third parties, as well as our own employees and representatives, even if we do not explicitly authorize such activities.** Any violations of ~~these~~ -- **the above anti- bribery and anti- corruption** laws, or allegations of such violations, could disrupt our operations, involve significant management distraction, involve significant costs and expenses, including legal fees and could result in a material adverse effect on our business, financial condition, results of operations and prospects. We could also suffer severe penalties, including criminal and civil penalties ~~,~~**; prosecution; enforcement actions;** disgorgement and other remedial measures. We **are also subject to economic** and **trade sanctions regulations administered by the U. S. Treasury Department' s Office of Foreign Assets Controls, export controls administered by the U. S. Commerce Department' s Bureau of Industry and Security, and other economic sanctions and export control regulations administered by governmental authorities in other countries where we have dealings. These regulations prohibit most dealings with and the provision of certain technology and software to restricted parties, including sanctioned persons, and sanctioned territories. We currently have a limited geographic presence, and the jurisdictions in which we have dealings are not generally associated with significant sanctions-** ~~our~~ -- **or export control- related risks for biotechnology companies. However, changes to sanctions or export control regulations in the jurisdictions where we currently operate or have dealings, or in the future may operate or have dealings, could adversely impact business operations, including by increasing costs associated with sanctions and export control compliance and by reducing our ability to sell our products to existing or potential customers. In particular, we note that although US- origin biotechnology- related items destined for the PRC are not currently subject to heightened US export controls, recent media reports suggest that the Biden administration is contemplating widening the scope of export control restrictions to cover certain biotechnology- related items exported to the PRC. An expansion of export controls to biotechnology items could impact our ability to manufacture or sell our products in the PRC, which may in turn result in increased costs or reduced sales. We directly sell to customers internationally and conduct indirect sales through partners, agents, and distributors to promote and sell our products, and as we continue to expand, we may engage with additional distributors and** third **parties. We could be held liable for third parties' non- compliance with sanctions or export controls. Non- compliance with sanctions or export controls could subject us to monetary fines, civil and / or criminal penalties, loss of export privileges, reputational harm, and potential incarceration for employees held liable. We and our third-** party manufacturing partners have limited experience in producing our systems and certain parts and components for our systems, and if we are unable to manufacture our systems in high- quality commercial quantities successfully and consistently to meet demand, our growth will be limited. We have, to date, manufactured our systems in limited quantities. We currently manufacture our systems and related consumables and reagent kits through a combination of third - party manufacturers and certain limited direct manufacturing at our facility in Emeryville, California. To manufacture our systems in the quantities that we believe will be required to meet anticipated market demand, we and our third - party manufacturers will need to increase manufacturing capacity, which will involve significant challenges and may require additional quality controls and regulatory approvals. Neither we nor our third - party manufacturers may successfully complete any required increase to existing manufacturing capacity in a timely manner, or at all. If there is a disruption to our third - party manufacturers' operations, whether from COVID- 19 or some other disruptions, we will have no other means of producing our systems until the third - party manufacturer restores the affected facilities or develop alternative manufacturing facilities. Additionally, any damage to or destruction of our or our third - party manufacturers' facilities or equipment may significantly impair our ability to manufacture systems on a timely basis. If we or our third - party manufacturers are unable to produce systems in sufficient quantities to meet anticipated customer demand, our business, financial condition, results of operations and prospects would be harmed. The lack of experience we and our manufacturing partners have in producing commercial quantities of our systems may also result in quality issues ~~,~~ and could result in system defects or errors or recalls. Manufacturing delays related to quality control could negatively impact our ability to bring our systems to market, harm our reputation and decrease our revenue. Any defects, errors or recalls could be expensive and generate negative publicity, which could impair our ability to market our systems and further affect our results of operations. We outsource the manufacturing of our systems, and components of our systems, to single - source third - party manufacturers. The failure of these manufacturers to manufacture systems or components on a timely basis could adversely affect our business. We have engaged with two different third - parties to manufacture our systems. One such third - party manufacturer manufactures Beacon and Culture Station, and the other third party manufacturer manufactures Lightning. In addition, certain key parts of our systems are manufactured by various third - parties. We do not have any control over the process or timing of the acquisition or manufacture of materials by our third - party manufacturers, and cannot ensure that they will deliver to us the systems or components we order on time, or at all. If the operations of our third - party manufacturers are interrupted, cease, or if they are unable to meet our delivery requirements due to capacity limitations, supply issues or other constraints, we may be limited in our ability to fulfill new customer orders or to service or repair systems at current customer sites. Any change to another contract

manufacturer, even if ultimately consummated, would likely entail significant delay, require us to devote substantial time and resources, result in additional costs, and could involve a period in which our systems could not be produced in a timely or consistently high- quality manner, any of which could harm our reputation and business, and frustrate our customers and cause them to turn to our competitors. Additionally, we may be unable to enter into agreements with another contract manufacturer on commercially reasonable terms or at all, which could have a material adverse impact on our business. We use biological and hazardous materials that require considerable expertise and expense for handling, storage and disposal and may result in claims against us. We work with materials, including chemicals, biological agents and compounds that could be hazardous to human health and safety or the environment. Our operations also produce hazardous and biological waste products. Federal, state and local laws and regulations govern the use, generation, manufacture, storage, handling and disposal of these materials and wastes. We are subject to periodic inspections by federal, state and local authorities to ensure compliance with applicable laws. Compliance with applicable environmental laws and regulations is expensive, and current or future environmental laws and regulations may restrict our operations. If we do not comply with applicable regulations, we may be subject to fines and penalties. In addition, we cannot eliminate the risk of accidental injury or contamination from these materials or wastes, which could cause an interruption of our commercialization efforts, research and development programs and business operations, as well as environmental damage resulting in costly clean- up and liabilities under applicable laws and regulations. In the event of contamination or injury, we could be liable for damages or penalized with fines in an amount exceeding our resources and our operations could be suspended or otherwise adversely affected. Furthermore, environmental laws and regulations are complex, change frequently and have tended to become more stringent. We cannot predict the impact of such changes and cannot be certain of our future compliance. Our manufacturing operations and those of our key third - party manufacturers are dependent upon third - party suppliers, including single - source suppliers, making us vulnerable to supply shortages and price fluctuations, which could harm our business. ~~Our systems contain several~~ **We rely on third- party suppliers to provide us critical and non-** critical components **used in the manufacturing of our products. Some our systems' critical components** , ~~including~~ **include** multiple optical components (DMD, camera, objectives and filters), OEP drive electronics, fluidic system components (syringe pumps, valves and tubing), motion stages, motors and temperature control components. Some of the suppliers of critical components or materials are single - ~~or sole~~ source suppliers ~~and the replacement of these suppliers or the identification and qualification of suitable second sources may require significant time, effort and expense, and could result in delays in production, which could negatively impact our business operations and revenue. We do not have supply agreements with certain suppliers of these critical components and materials beyond purchase orders and, although we maintain a safety stock inventory either at one of our third party manufacturers or at our facility in Emeryville, CA, for certain critical components, forecasted amounts may be inaccurate and we may experience shortages as a result of serious supply problems with these manufacturers. There can be no assurance that our supply of components will not be limited, interrupted, or of satisfactory quality or continue to be available at acceptable prices. In addition, loss of any critical component provided by a single source supplier could require us to change the design of our manufacturing process based on the functions, limitations, features and specifications of the replacement components~~ . In addition, several other non- critical components and materials that comprise our systems are currently manufactured by a single - supplier or a limited number of suppliers. In many of these cases, we have not yet qualified alternate ~~suppliers~~ **supplier** and rely upon purchase orders, rather than long- term **agreements. The replacements of these suppliers or the identification and qualification of suitable second sources may require significant time, effort and expense, and could result in delays in production, which could negatively impact our business operations and revenue. Even if we are able to find replacement suppliers, we will be required to verify that the new supplier maintains facilities, procedures and operations that comply with our quality expectations and applicable regulatory requirements. Any of these events could require that we obtain a new regulatory authority approval before we implement the change, which could result in further delay or which may not be obtained at all. If our third- party suppliers fail to deliver the required commercial quantities of materials on a timely basis and at commercially reasonable prices, and we are unable to find one or more replacement suppliers capable of production at a substantially equivalent cost, volumes and quality on a timely basis, the continued commercialization of our products, the** supply ~~agreements~~ **of our products to customers and the development of any future products will be delayed, limited or prevented, which could have material adverse effect on our business, financial condition and results of operations. For example, the COVID- 19 pandemic has disrupted the operations of certain of our third- party suppliers, resulting in increased lead- times for our purchases of some components and, in certain cases, requiring us to procure materials from alternate suppliers or incur higher logistics expenses. We have worked closely with our manufacturing partners and suppliers to enable us to source key components and maintain appropriate inventory levels to meet customer demand and have not experienced disruptions in our supply chain to date. However, there is no assurance that we will not experience more significant disruptions in our supply chain in the future, particularly if the operations of our contract manufacturing partners or any of our critical single-source component providers are more severely impacted by the pandemic and associated containment measures. Any supply interruption from our suppliers or failure to obtain additional suppliers for products or any of the components used in our products would limit our ability to manufacture our products and could have a material adverse effect on our business, financial condition, and results of operations. In addition, many of our suppliers and contract manufacturers are not obligated to perform services or supply products for any specific period, in any specific quantity or at any specific price, except as may be provided in a particular purchase order. We depend on our suppliers to provide us with materials or products in a timely manner that meet our quality, quantity, and cost requirements. These suppliers may encounter problems during manufacturing for a variety of reasons, including as a result of the ongoing COVID- 19 pandemic, any of which could delay or impede their ability to meet our demand. These suppliers may cease producing the products or components we purchase from them or otherwise decide to cease doing business with us. We**

maintain limited volumes of inventory for certain critical components either at one of our third- party manufacturers or at our facility in Emeryville, California. If we inaccurately forecast demand for finished goods, we may be unable to meet customer demand which could harm our competitive position and reputation . A supply interruption or an increase in demand beyond our current suppliers' capabilities could **also** harm our ability to manufacture our systems unless and until new sources of supply are identified and qualified. Our reliance on these suppliers subjects us to a number of risks that could harm our business, including: • interruption of supply resulting from modifications to or discontinuation of a supplier' s operations; • trade disputes or other political conditions or economic conditions, including any global macroeconomic impact resulting from the Russia- Ukraine conflict; • delays in the manufacturing operations of our suppliers, or in the delivery of parts and components to support such manufacturing operations, due to the impact of public health issues, endemics or pandemics, such as COVID- 19; • delays in product shipments resulting from uncorrected defects, reliability issues, or a supplier' s variation in a component; • a lack of long- term supply arrangements for key components with our suppliers; • inability to obtain adequate supply in a timely manner, or to obtain adequate supply on commercially reasonable terms; • difficulty and cost associated with locating and qualifying alternative suppliers for our components in a timely manner; • a modification or change in a manufacturing process or part that unknowingly or unintentionally negatively impacts the operation of our systems; • production delays related to the evaluation and testing of products from alternative suppliers, and corresponding regulatory qualifications; • delay in delivery due to our suppliers prioritizing other customer orders over ours; • damage to our brand reputation caused by defective components produced by our suppliers; • increased cost of our warranty program due to product repair or replacement based upon defects in components produced by our suppliers; and • fluctuation in delivery by our suppliers due to changes in demand from us or their other customers. Any interruption in the supply of components or materials, or our inability to obtain substitute components or materials from alternate sources at acceptable prices in a timely manner, could impair our ability to meet the demand of our customers, which would have an adverse effect on our business. We forecast sales to determine requirements for components and materials used in our systems, and if our forecasts are incorrect, we may experience delays in shipments or increased inventory costs. We and our third **-** party manufacturers ~~keep~~ **maintain** limited **volumes of inventory** materials, components and finished products ~~on hand~~ . To manage our operations with our third **-** party manufacturers and suppliers, we forecast anticipated product orders and material requirements to predict our inventory needs and enter into purchase orders on the basis of these requirements. Several components of our systems require an order lead time of six ~~months~~ to ten months. Our limited historical commercial experience and rapid growth may not provide us with enough data to consistently and accurately predict future demand. If our business expands and our demand for components and materials ~~increase~~ **increases** beyond our estimates, our **third- party** manufacturers and suppliers may be unable to meet our demand. In addition, if we or our third **-** party manufacturers underestimate our component and material requirements, we may have inadequate inventory, which could interrupt, delay, or prevent delivery of our systems to our customers. By contrast, if we overestimate our component and material requirements, we may have excess inventory, which would increase our expenses. Any of these occurrences would negatively affect our financial performance and business results. Shipping is a critical part of our business and any changes in our shipping arrangements or damages or losses sustained during shipping could adversely affect our business, financial condition, results of operations and prospects. We currently rely on third **-** party vendors for our shipping. If we are not able to negotiate acceptable pricing and other terms with these entities or they experience performance problems or other difficulties, it could negatively impact our operating results and our **reputation** ~~customers' experience~~ . In the past, some of our systems have sustained serious damage in transit and were not repairable. Although we have taken steps to improve our shipping containers, there is no guarantee our systems will not become damaged or lost in transit in the future. If a system is damaged in transit, it may result in a substantial delay in the fulfillment of the customer' s order, and depending on the type and extent of the damage and whether the incident is covered by insurance, it may result in a substantial financial loss. If our products are not delivered in a timely fashion or are damaged or lost during the delivery process, our customers could become dissatisfied and cease using our products or services, which would adversely affect our business, financial condition, results of operations and prospects. Risks related to our intellectual property and ongoing litigation If we are unable to obtain and maintain sufficient intellectual property protection for our technology, including the Berkeley Lights Platform, or if the scope of the intellectual property protection obtained is not sufficiently broad, our competitors could develop and commercialize products similar or identical to ours, and our ability to successfully commercialize our products may be impaired. We rely on patent protection as well as trademark, copyright, trade secret and other intellectual property rights protection and contractual restrictions to protect our proprietary technologies, all of which provide limited protection and may not adequately protect our rights or permit us to gain or keep any competitive advantage. If we fail to **obtain,** protect **, maintain or enforce** our intellectual property, third parties may be able to compete more effectively against us. In addition, we may incur substantial litigation costs in our attempts to recover or restrict use of our intellectual property. To the extent our intellectual property offers inadequate protection, or is found to be invalid or unenforceable, we would be exposed to a greater risk of direct competition. If our intellectual property does not provide adequate coverage of our competitors' products, our competitive position could be adversely affected, as could our business. Both the patent application process and the process of managing patent **and other intellectual property** disputes can be time- consuming and expensive. As is the case with other life sciences and biotechnology companies, our success depends in large part on our ability to obtain and maintain protection of the intellectual property we may own solely and jointly with others, particularly patents, in the United States and other countries with respect to our products and technologies. We apply for patents covering our products and technologies and uses thereof, as we deem appropriate. However, obtaining and enforcing patents in our industry is costly, time- consuming and complex, and we may fail to apply for patents on important products, services and technologies in a timely fashion or at all, or we may fail to apply for patents in potentially relevant jurisdictions. **It is possible that defects of form in the preparation or filing of our patents or patent applications may exist, or may arise in the future, for example with respect to proper priority claims, inventorship, claim scope or**

requests for patent term adjustments. We may not be able to file and prosecute all necessary or desirable patent applications, or maintain, enforce and license any patents that may issue from such patent applications, at a reasonable cost or in a timely manner **, or at all** . It is also possible that we will fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection. We may not have the right to control the preparation, filing and prosecution of patent applications, or to maintain the rights to patents licensed to third parties. Therefore, these patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business. As of December 31, ~~2021~~ **2022** , our owned patent assets included approximately ~~50~~ **63** U. S. patents, ~~69~~ **72** pending U. S. patent applications, ~~9~~ **6** pending ~~patent cooperation treaty, or~~ PCT, applications, ~~286~~ **404** foreign patents and ~~323~~ **330** pending foreign patent applications in various foreign jurisdictions, including Australia, Canada, ~~China~~ **the PRC** , the European Union, Hong Kong, Israel, Japan, **Singapore,** South Korea, ~~Singapore~~ and Taiwan. Our owned patent assets include 17 patents and applications that are jointly owned by us and by the UC Regents, including 2 U. S. patents, 2 pending U. S. patent applications, ~~8~~ **9** foreign patents, and ~~5~~ **4** foreign patent applications, of which the 2 U. S. patents, the 8 foreign patents, are included within the scope of our exclusive licensing arrangement with the UC Regents. As of December 31, ~~2021~~ **2022** , our in- licensed patent assets included 9 U. S. patents, 6 foreign patent, **and** 1 pending U. S. patent application. It is possible that none of our pending patent applications will result in issued patents in a timely fashion or at all, and even if patents are granted, they may not provide a basis for intellectual property protection of commercially viable products or services, may not provide us with any competitive advantages, or may be challenged and invalidated by third parties. It is possible that others will design around our current or future patented technologies. It is possible that in the future some of our patents, licensed patents and patent applications may be challenged at the ~~United States Patent and Trademark Office, or~~ USPTO, or in proceedings before the patent offices of other jurisdictions. We may not be successful in defending any such challenges made against our patents or patent applications. Any successful third **-** party challenge to our patents could result in the unenforceability or invalidity of such patents and increased competition to our business. We may have to challenge the patents or patent applications of third parties. The outcome of patent litigation or other ~~proceeding~~ **proceedings** can be uncertain, and any attempt by us to enforce our patent rights against others or to challenge the patent rights of others may not be successful, **and whether** or **not** ~~, if~~ successful, may take substantial time and result in substantial cost, and may divert our efforts and attention from other aspects of our business. The patent positions of life sciences companies can be highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved. No consistent policy regarding the breadth of claims allowed in such companies' patents has emerged to date in the United States or elsewhere. Courts frequently render opinions in the biotechnology field that may affect the patentability of certain inventions or discoveries. Our in- licensed patent rights may be subject to a reservation of rights by one or more third parties. For example, we in- license certain patent rights from ~~The~~ **UC** Regents ~~of the University of California~~ , which were funded in part by the U. S. government. As a result, the U. S. government may have certain rights, including so- called march- in rights, to such patent rights and any products or technology developed from such patent rights. When new technologies are developed with U. S. government funding, the U. S. government generally obtains certain rights in any resulting patents, including a nonexclusive license authorizing the U. S. government to use the invention for non- commercial purposes. These rights may permit the U. S. government to disclose our confidential information to third parties and to exercise march- in rights to use or to allow third parties to use our licensed technology. The U. S. government can exercise its march- in rights if it determines that action is necessary because we fail to achieve the practical application of government- funded technology, because action is necessary to alleviate health or safety needs, to meet requirements of federal regulations, or to give preference to U. S. industry. In addition, our rights in such inventions may be subject to certain requirements to manufacture products embodying such inventions in the United States. Any exercise by the U. S. government of such rights could harm our business, financial condition, results of operations and prospects. Claims by AbCellera and the University of British Columbia that we infringe their intellectual property rights may adversely affect our business, financial condition, results of operations and prospects. In July **through September** 2020, AbCellera ~~Biologics Inc. (" AbCellera ")~~ filed a **series of** ~~complaint~~ **complaints** in the United States District Court for the District of Delaware, alleging that we infringed and ~~continues~~ **continue** to infringe, directly and indirectly, the following patents exclusively licensed by AbCellera by making, using, offering for sale, selling and / or importing our Beacon and Culture Station instruments and the OptoSelect chips, and sale of the Opto Plasma B Discovery Workflow: U. S. Patent Nos. 10, 107, 812, 10, 274, 494, 10, 466, 241, 10, 578, 618, 10, 697, 962, 10, 087, 408, 10, 421, 936 ~~and~~ **,** 10, 704, 018 ~~(" , 10, 718, 768, 10, 738, 270, 10, 746, 737, 10, 753, 933, 10, 775, 376, 10, 775, 377, and 10, 775, 378. UBC, the owner of the patents, joined~~ AbCellera ~~I "). In August 2020, AbCellera filed a second complaint in the United States District Court for the District of Delaware, making the same allegations with regard to U. S. Patent Nos. 10, 718, 768, 10, 738, 270, 10, 746, 737, and 10, 753, 933 (" AbCellera II "). In September 2020, AbCellera filed amended complaints in each of AbCellera I and AbCellera II adding The University of British Columbia (" UBC ")~~ as a named plaintiff ~~. Also~~ in ~~September 2020, AbCellera and UBC filed a third complaint in~~ the **lawsuits** ~~United States District Court for the District of Delaware, making the same allegations with regard to U. S. Patent Nos. 10, 775, 376, 10, 775, 377, and 10, 775, 378 (" AbCellera III ")~~ . AbCellera and UBC are seeking, among other things, judgment of infringement, a permanent injunction and damages (including lost profits, a reasonable royalty, reasonable costs and attorney' s fees, and treble damages for willful infringement). In addition to procedural motions, we have filed an answer and counterclaims in response to each of the ~~AbCellera I, AbCellera II and AbCellera III~~ lawsuits. Our counterclaims in each lawsuit include counts for declaratory judgment of non- infringement of the asserted patents, for declaratory judgment of invalidity of the asserted patents, ~~and~~ for declaratory judgment of unenforceability of the asserted patents due to inequitable conduct **, and unfair competition under state and federal law** . We filed a motion to transfer the ~~AbCellera I, AbCellera II and AbCellera III~~ lawsuits to the United States District Court for the Northern District of California, which was granted and where the lawsuits have been consolidated and are now pending (~~the~~ " ~~consolidated~~ **Consolidated** ~~lawsuit~~ **Lawsuit** "). On May 6, 2021 and pursuant to Court Order, AbCellera and UBC reduced, without

prejudice, the asserted patents in the consolidated lawsuit to the following: US Patent Nos. 10, 087, 408, 10, 421, 936, 10, 738, 270, 10, 697, 962, 10, 753, 933, 10, 775, 376 and 10, 775, 378. On July 1, 2021, ~~the court granted the Company' s motion to amend its answer and counterclaims to add federal and state unfair competition counterclaims against AbCellera Biologics; on July 22, 2021, the Company filed its amended answer and counterclaims. Also on July 1, 2021~~ the court issued a Case Management Order that, among other things, scheduled a jury trial date of December 12, 2022, and requires AbCellera and UBC to reduce the number of asserted patents to no more than two, and the total asserted patent claims to no more than four per patent prior to the trial. **In** ~~Also in~~ July 2021 **and August 2021** , **we** ~~the Company~~ filed petitions for ~~Inter~~ **inter** Partes Review (" IPR ") with ~~the United States Patent & Trademark Office (" USPTO ")~~ , challenging the validity of various asserted claims of U. S. Patent No. 10, 087, 408 and all asserted claims of U. S. Patent ~~No~~ **Nos** . 10, 421, 936 **and 10** , **739, 270** ~~then filed a motion in the district court to stay the consolidated lawsuit pending the outcome of the IPR proceedings~~ . In August 2021, the ~~Company filed a third petition for IPR with the USPTO, challenging the validity of all asserted claims of U. S. Patent No. 10, 739, 270. Also in August 2021, the~~ court ~~granted the Company' s motion to stay~~ **stayed** the ~~consolidated~~ **Consolidated** ~~AbCellera I, AbCellera II, and AbCellera III lawsuits~~ - **Lawsuit** pending the outcome of the IPR proceedings. In January 2022, the Patent Trial and Appeal Board (" PTAB ") of the USPTO issued a decision instituting IPR on U. S. Patent No. 10, 087, 408 and a decision denying IPR on U. S. Patent No. 10 ~~.~~ **,** 421, 936. In February 2022, the PTAB issued a decision denying IPR on U. S. Patent No. 10, 739, 270. ~~In August~~ **More recently, in January** ~~2020~~ **2023** , ~~we filed a complaint in in~~ the **PTAB issued** ~~United States District Court for the Northern District of California against AbCellera and Lineage BioSciences, Inc., an entity previously acquired by AbCellera (" AbCellera IV "). The complaint included two counts of unfair competition and one count of~~ a ~~declaratory judgment~~ **decision upholding the validity** of ~~non- infringement of~~ **the challenged claims in** U. S. Patent No. 10, ~~058~~ **087** , ~~839~~ **408** . **The** ~~We were seeking, among other things, damages and a judgment of non- infringement. In October 2020, we filed an amended complaint asserting the same three counts and AbCellera and Lineage filed a motion to dismiss the amended complaint, which was granted, without prejudice, in part. In light of the Company' s amended answer and counterclaims in the~~ consolidated lawsuits **remain stayed at this time** ~~, which were amended to include its federal and state unfair competition claims as discussed above, in July 2021 the Company filed a notice of dismissal without prejudice in the AbCellera IV lawsuit, resulting in its termination~~ . **We** ~~While we~~ believe that the patent assertions by AbCellera and UBC are without merit and we intend to defend ourselves vigorously. We also intend to proceed with our claims and counterclaims against AbCellera and UBC. Outcomes in litigation can be uncertain and it is possible a court may disagree with our position. An adverse determination in these lawsuits could subject us to significant liabilities, require us to seek licenses from or pay royalties to AbCellera and / or UBC, or prevent us from manufacturing, selling or using certain of our products, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Changes in patent law in the United States and other jurisdictions could diminish the value of patents in general, thereby impairing our ability to protect our products. Changes in either the patent laws or ~~in~~ interpretations of patent laws in the United States or other countries or regions may diminish the value of our intellectual property. We cannot predict the breadth of claims that may be allowed or enforced in our patents or in third **-** party patents. We may not develop additional proprietary products, methods and technologies that are patentable. ~~Assuming that other requirements for patentability are met, prior to March 16, 2013, in the United States, the first to invent the claimed invention was entitled to the patent, while outside the United States, the first to file a patent application was entitled to the patent. On or after March 16, 2013, under~~ **Under** the Leahy- Smith America Invents Act ~~, or the America Invents Act,~~ enacted in September 16, 2011, the United States transitioned to a first inventor to **a** file system in which, assuming that other requirements for patentability are met, the first inventor to file a patent application **is** ~~will be~~ entitled to the patent on an invention regardless of whether a third party ~~was the first to invent~~ **invented** the claimed invention **first** . A third party that files a patent application in the USPTO ~~on or after March 16, 2013, but~~ before us could therefore be awarded a patent covering an invention of ours even if we had made the invention before it was made by such third party. This ~~will require~~ **requires** us to be cognizant of the time from invention to filing of a patent application. Since patent applications in the United States and most other countries are confidential for a period of time after filing or until issuance, we cannot be certain that we or our licensors were the first to either (i) file any patent application related to our products or (ii) invent any of the inventions claimed in our or our licensor' s patents or patent applications. The America Invents Act also ~~includes~~ **included** a number of significant changes that affect the way patent applications **are** ~~will be~~ prosecuted and also may affect patent litigation. These include allowing third **-** party submission of prior art to the USPTO during patent prosecution and additional procedures to attack the validity of a patent by USPTO administered post- grant proceedings, including post- grant review, inter partes review and derivation proceedings. Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in United States federal courts necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim invalid even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action. Accordingly, a third party may attempt to use the USPTO procedures to invalidate our patent claims that would not have been invalidated if first challenged by the third party as a defendant in a district court action. Therefore, **we may face** ~~the America Invents Act and its implementation could increase~~ **increased** ~~the~~ uncertainties and costs surrounding the prosecution of our owned or in- licensed patent applications and the enforcement or defense of our owned or in- licensed issued patents, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, the patent position of companies in the biotechnology field is particularly uncertain. Various courts, including the United States Supreme Court have rendered decisions that affect the scope of patentability of certain inventions or discoveries relating to biotechnology. These decisions state, among other things, that a patent claim that recites an abstract idea, natural phenomenon or law of nature (for example, the relationship between particular genetic variants and cancer) are not themselves patentable. Precisely what constitutes a law of nature or abstract idea is uncertain, and it is possible that certain aspects of our technology could be considered natural laws. Accordingly,

the evolving case law in the United States **and pending legislation in Congress** may adversely affect our ability to obtain **or enforce** patents and may facilitate third **-** party challenges to any owned or licensed patents **. We cannot assure you that our patent portfolio will not be negatively impacted by the current uncertain state of the law, new court rulings or changes in guidance or procedures issued by the United States Patent and Trademark Office or other similar intellectual property offices in other countries** . Issued patents covering our products could be found invalid or unenforceable if challenged. The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability. Some of our patents or patent applications (including licensed patents) have been, are being or may be challenged at a future point in time in opposition, derivation, reexamination, inter partes review, post- grant review or interference. Any successful third **-** party challenge to our patents in this or any other proceeding could result in the unenforceability or invalidity of such patents, which may lead to increased competition to our business, which could harm our business. In addition, in patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are commonplace. The outcome following legal assertions of invalidity and unenforceability during patent litigation is unpredictable. If a defendant were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the patent protection on certain aspects of our platform technologies. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, regardless of the outcome, it could dissuade companies from collaborating with us to license, develop or commercialize current or future products. We may not be aware of all third **-** party intellectual property rights potentially relating to our products. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until approximately 18 months after filing or, in some cases, not until such patent applications issue as patents. We might not have been the first to make the inventions covered by each of our pending patent applications and we might not have been the first to file patent applications for these inventions. To determine the priority of these inventions, we may have to participate in interference proceedings, derivation proceedings or other post- grant proceedings declared by the USPTO that could result in substantial cost to us. The outcome of such proceedings is uncertain. No assurance can be given that other patent applications will not have priority over our patent applications. In addition, ~~changes to the~~ patent laws of the United States allow for various post- grant opposition proceedings ~~that have not been extensively tested~~ , ~~and their~~ -- **the** outcome ~~is therefore~~ **of which may be** uncertain. Furthermore, if third parties bring these proceedings against our patents, we could experience significant costs and management distraction. We rely on in- licenses from third parties. If we lose these rights, our business may be materially adversely affected, our ability to develop improvements to our existing systems, workflows, consumables and reagent kits and to develop new systems, workflows, consumables and reagent kits may be negatively and substantially impacted, and if disputes arise, we may be subjected to future litigation as well as the potential loss of or limitations on our ability to develop and commercialize products and technology covered by these license agreements. We are party to a royalty- bearing license agreement with ~~The~~ **the UC** Regents ~~of the University of California~~ that grants us exclusive rights to exploit certain patent rights that are related to our systems. We may need to obtain additional licenses from others to advance our research, development and commercialization activities. Our license agreement with ~~The~~ **the UC** Regents ~~of the University of California~~ imposes, and we expect that any future exclusive in- license agreements will impose, various development, diligence, commercialization and other obligations on us. We have also entered into engagements in the past, and may enter into engagements in the future, with other partners and customers under which we obtain certain intellectual property rights relating to our platform and technology. These engagements take the form of exclusive ~~license~~ **licenses** or of actual ownership of intellectual property rights or technology from third parties. Our rights to use the technology we license are subject to the continuation of and compliance with the terms of those agreements. In some cases, we may not control the prosecution, maintenance or filing of the patents to which we hold licenses, or the enforcement of those patents **or other intellectual property** against third parties. Moreover, disputes may arise with respect to our licensing or other upstream agreements, including: • the scope of rights granted under the agreements and other interpretation- related issues; • the extent to which our systems and consumables, technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement; • the sublicensing of patent and other rights under our collaborative development relationships; • our diligence obligations under the license agreements and what activities satisfy those diligence obligations; • the **calculation and amount of any royalties we are required to pay; • compliance with restrictions on use of licensed intellectual property, including limitations to certain territories or fields of use; • protection of our licensors' and other third parties' know- how and other confidential information; • the** inventorship and ownership of inventions and know- how resulting from the joint creation or use of intellectual property by our licensors and us and our partners; and • the priority of invention of patented technology. In spite of our efforts to comply with our obligations under our in- license agreements, our licensors might conclude that we have materially breached our obligations under our license agreements and might therefore, including in connection with any aforementioned disputes, terminate the relevant license agreement, thereby removing or limiting our ability to develop and commercialize products and technology covered by these license agreements. If any such in- license is terminated, or if the licensed patents fail to provide the intended exclusivity, competitors or other third parties might have the freedom to market or develop products similar to ours. In addition, absent the rights granted to us under such license agreements, we may infringe the intellectual property rights that are the subject of those agreements, we may be subject to litigation by the licensor, and if such litigation by the licensor is successful we may be required to pay damages to our licensor, or we may be required to cease our development and commercialization activities which are deemed infringing, and in such event we may ultimately need to modify our activities or products to design around such infringement, which may be time- and resource- consuming, and which may not be ultimately successful. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects. In particular, if our license with ~~The~~ **the UC** Regents ~~of the University of California~~ is terminated, we may suffer the foregoing consequences with respect to our business. In addition, our rights to certain technologies, are licensed to us on a non- exclusive

basis. The owners of these non- exclusively licensed technologies are therefore free to license them to third parties, including our competitors, on terms that may be superior to those offered to us, which could place us at a competitive disadvantage. Moreover, our licensors may own or control intellectual property that has not been licensed to us and, as a result, we may be subject to claims, regardless of their merit, that we are infringing or otherwise violating the licensor' s rights. In addition, certain of our agreements with third parties may provide that intellectual property arising under these agreements, such as data that could be valuable to our business, will be owned by the counterparty, in which case, we may not have adequate rights to use such data or have exclusivity with respect to the use of such data, which could result in third parties, including our competitors, being able to use such data to compete with us. If we cannot acquire or license rights to use technologies on reasonable terms, we may not be able to commercialize new products in the future. In the future, we may identify third - party intellectual property and technology we may need to license in order to engage in our business, including to develop or commercialize new products or services, and the growth of our business may depend in part on our ability to acquire, in- license or use this technology. However, such licenses may not be available to us on acceptable terms or at all. The licensing or acquisition of third - party intellectual property rights is a competitive area, and several more established companies may pursue strategies to license or acquire third - party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, capital resources and greater development or commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. Even if such licenses are available, we may be required to pay the licensor in return for the use of such licensor' s technology, lump- sum payments, payments based on certain milestones such as sales volumes, or royalties based on sales of our platform. In addition, such licenses may be non- exclusive, which could give our competitors access to the same intellectual property licensed to us. We may also need to acquire or negotiate licenses to patents or patent applications before or after introducing a commercial product. The acquisition and licensing of third - party patent rights is a competitive area, and other companies may also be pursuing strategies to acquire or license third - party patent rights that we may consider attractive. We may not be able to acquire or obtain necessary licenses to patents or patent applications. Even if we are able to obtain a license to patent rights of interest, we may not be able to secure exclusive rights, in which case others could use the same rights and compete with us. Our business, financial condition, results of operations and prospects could be materially and adversely affected if we are unable to enter into necessary agreements on acceptable terms or at all, if any necessary licenses are subsequently terminated, if the licensors fail to abide by the terms of the licenses or fail to prevent infringement by third parties, or if the acquired or licensed patents or other rights are found to be invalid or unenforceable. Moreover, we could encounter delays in the introduction of products or services while we attempt to develop alternatives. Defense of any lawsuit or failure to obtain any of these licenses on favorable terms could prevent us from commercializing products, which could harm our business, financial condition, results of operations and prospects. We may not be able to protect our intellectual property rights throughout the world. Filing, prosecuting and defending patents on our systems, workflows, consumables and reagent kits in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States can 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 the laws of the United States, and we may encounter difficulties in protecting and defending such rights in foreign jurisdictions. Consequently, we may not be able to prevent third parties from practicing our inventions in some or 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 may also export infringing products to territories where we have patent protection, but enforcement is not as strong as that in the United States. These products may compete with our products. Our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing. In addition, certain countries have compulsory licensing laws under which a patent owner may be compelled to grant licenses to other parties. Furthermore, many countries limit the enforceability of patents against other parties, including government agencies or government contractors. In these countries, the patent owner may have limited remedies, which could materially diminish the value of any patents. Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of many other countries do not favor the enforcement of patents and other intellectual property protection, particularly those relating to biotechnology, which could make it difficult for us to stop the misappropriation or other violations of our intellectual property rights including infringement of our patents in such countries. Proceedings to enforce our ~~patent~~ **patents and other intellectual property** rights in foreign jurisdictions could result in substantial cost and divert our efforts and attention from other aspects of our business, could put our patents **and other intellectual property** at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing, and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate, or that are initiated against us, and the damages or other remedies awarded, if any, may not be commercially meaningful. In addition, changes in the law and legal decisions by courts in the United States and foreign countries may affect our ability to obtain adequate protection for our products, services and other technologies and the **maintenance and** enforcement of intellectual property. Accordingly, our efforts to **obtain, maintain and** 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. If we are unable to protect the confidentiality of our trade secrets, the value of our technology could be materially adversely affected and our business could be harmed. We rely heavily on trade secrets and confidentiality agreements to protect our unpatented know- how, technology and other proprietary information, including parts of our technology platform, and to maintain our competitive position. However, trade secrets and know- how can be difficult to protect. In addition to pursuing patents on our technology, we take steps to protect our intellectual property and proprietary technology by entering into agreements, including confidentiality agreements, non- disclosure agreements and intellectual property assignment agreements, with our employees, consultants, academic institutions, corporate partners and, when needed,

our advisers. However, we cannot be certain that such agreements have been entered into with all relevant parties, and we cannot be certain 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. For example, any of these parties may breach the agreements and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. Such agreements may not be enforceable or may not provide meaningful protection for our trade secrets or other proprietary information in the event of unauthorized use or disclosure or other breaches of the agreements, and we may not be able to prevent such unauthorized disclosure, which could adversely impact our ability to establish or maintain a competitive advantage in the market. If we are required to assert our rights against such party, it could result in significant cost and distraction. Monitoring unauthorized disclosure is difficult, and we do not know whether the steps we have taken to prevent such disclosure are, or will be, adequate. If we were to enforce a claim that a third party had illegally obtained and was using our trade secrets, it would be expensive and time- consuming, **it may be difficult for us to prove that the trade secrets were obtained or used illegally,** and the outcome would be unpredictable. In addition, courts outside the United States may be less willing to protect trade secrets **. On January 5, 2023, the FTC announced a proposal to introduce a new rule that, if implemented, would ban non- compete obligations in the United States. The proposed rule would prevent employers from entering into non- compete clauses with workers and require employers to rescind existing non- compete clauses. If this rule, or similar rules in the United States or other jurisdictions, is implemented, we would not be able to rely on non- compete clauses to protect our trade secrets and other confidential information to the same extent, or at all, which may increase the likelihood of our trade secrets and other confidential information becoming known to our competitors and other third parties** . We also seek to preserve the integrity and confidentiality of our confidential proprietary information by maintaining physical security of our premises and physical and electronic security of our information technology systems, but it is possible that these security measures could be breached. If any of our confidential proprietary information were to be lawfully obtained or independently developed by a competitor or other third party, absent patent protection, we would have no right to prevent such competitor from using that technology or information to compete with us, which could harm our competitive position. If any of our trade secrets were to be disclosed to or independently discovered by a competitor or other third party, it could harm our business, financial condition, results of operations and prospects. We may be subject to claims that our employees, consultants or independent contractors 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 employed and expect to employ individuals who were previously employed at universities or other companies, including our competitors or potential competitors. Although we try to ensure that our employees, consultants, advisors and independent contractors do not use the proprietary information or know- how of others in their work for us, we may be subject to claims that our employees, advisors, consultants or independent contractors have inadvertently or otherwise used or disclosed intellectual property, including trade secrets or other proprietary information of their former employers or other third parties, or to claims that we have improperly used or obtained such trade secrets. Litigation may be necessary to defend against these claims. If we fail in defending such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights and face increased competition to our business. A loss of key research personnel work product could hamper or prevent our ability to commercialize potential products, which could harm our business. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to management. In addition, while it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. The assignment of intellectual property rights may not be self- executing, or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property. Any of the foregoing could harm our business, financial condition, results of operations and prospects. We may not be able to protect and enforce our trademarks and trade names, or build name recognition in our markets of interest thereby harming our competitive position. The registered or unregistered trademarks or trade names that we own may be challenged, infringed, circumvented, declared generic, lapsed or determined to be infringing on or dilutive of other marks. We may not be able to protect our rights in these trademarks and trade names, which we need in order to build name recognition. In addition, third parties have filed, and may in the future file, for registration of trademarks similar or identical to our trademarks, thereby impeding our ability to build brand identity and possibly leading to market confusion. If they succeed in registering or developing common law rights in such trademarks, and if we are not successful in challenging such rights, we may not be able to use these trademarks to develop brand recognition of our technologies, products or services. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. Further, we have and may in the future enter into agreements with owners of such third **-** party trade names or trademarks to avoid potential trademark litigation which may limit our ability to use our trade names or trademarks in certain fields of business. We have not yet registered certain of our trademarks in all of our potential markets, although we have registered Beacon, Berkeley Lights and the Berkeley Lights logo in the United States as well as certain of our trademarks outside of the United States. If we apply to register these trademarks in other countries, and / or other trademarks in the United States and other countries, our applications may not be allowed for registration in a timely fashion or at all; and further, our registered trademarks may not be maintained or enforced. For example, we have not been able to obtain the registration of the marks Berkeley Lights, Beacon and Lightning in certain foreign jurisdictions, including ~~China~~ **the PRC** . In addition, opposition or cancellation proceedings have been, or may in the future be, filed against our trademark applications and registrations, and our trademarks may not survive such proceedings. For example, an opposition was filed against our Beacon trademark application in

2017 in the United States, which was amicably resolved, and an opposition was filed in the European Union and a request to extend the opposition period in the United States related to our Lightning trademark application in 2019. While the opposition period in the United States related to our Lightning trademark application expired without an opposition being filed, it is still possible that we may not be able to successfully register the trademark in the United States, that any registration we do obtain is narrower than in the application as originally filed. It is also possible that we may have restrictions upon our use of the Lightning trademark in the United States or in other countries. In addition, third parties may file first for our trademarks in certain countries. If they succeed in registering such trademarks, and if we are not successful in challenging such third - party rights, we may not be able to use these trademarks to market our products and technologies in those countries. If we do not secure registrations for our trademarks, we may encounter more difficulty in enforcing them against third parties than we otherwise would. If we are unable to establish name recognition based on our trademarks and trade names, we may not be able to compete effectively, which could harm our business, financial condition, results of operations and prospects. And, over the long- term, if we are unable to establish name recognition based on our trademarks, then our marketing abilities may be materially adversely impacted. We may be subject to claims challenging the inventorship of our patents and other intellectual property. We or our licensors may be subject to claims that former employees, collaborators or other third parties have an interest in our owned or in- licensed patents, trade secrets or other intellectual property as an inventor or co- inventor. For example, we or our licensors may have inventorship disputes arise from conflicting obligations of employees, consultants or others who are involved in developing our products. Litigation may be necessary to defend against these and other claims challenging inventorship of our or our licensors' ownership of our owned or in- licensed patents, trade secrets or other intellectual property. If we or our licensors fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, intellectual property that is important to our systems, including our software, workflows, consumables and reagent kits. 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, and certain customers or partners may defer engaging with us until the particular dispute is resolved. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects. We are currently and in the future may be involved in litigation related to intellectual property, which could be time- intensive and costly and may adversely affect our business, financial condition, results of operations and prospects. In recent years, there has been significant litigation in the United States involving intellectual property rights. We are and may in the future be involved with litigation or actions at the USPTO with various third parties that claim we or our partners or customers using our solutions and services have misappropriated or misused other parties' intellectual property rights. We expect that the number of such claims may increase as the number of our systems, workflows, consumables and reagent kits, and the level of competition in our industry segments, grow. Any infringement claim, regardless of its validity, could harm our business by, among other things, resulting in time-consuming and costly litigation, diverting management' s time and attention from the development of the business, requiring the payment of monetary damages (including treble damages, attorneys' fees, costs and expenses) or royalty payments, or result in potential or existing customers delaying purchases of our products or entering into engagements with us pending resolution of the dispute. As we move into new markets and applications for our platform, incumbent participants in such markets may assert their patents and other proprietary rights against us as a means of slowing our entry into such markets or as a means to extract substantial license and royalty payments from us. Our competitors and others may now and, in the future, have significantly larger and more mature patent portfolios than we ~~currently~~ have. In addition, future litigation may involve patent holding companies or other adverse patent owners who have no relevant product or service revenue and against whom our own patents may provide little or no deterrence or protection. Therefore, our commercial success may depend in part on our non-infringement of the patents or proprietary rights of third parties, or the invalidity of such patents or proprietary rights. Our research, development and commercialization activities may in the future be subject to claims that we infringe or otherwise violate patents or other intellectual property rights owned or controlled by third parties. There is a substantial amount of litigation and other patent challenges, both within and outside the United States, involving patent and other intellectual property rights in the biotechnology industry, including patent infringement lawsuits, interferences, oppositions and **IPR** ~~inter partes review~~ 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 products. As the biotechnology industry expands and more patents are issued, the risk increases that our products may be subject to claims of infringement of the patent rights of third parties. Numerous significant intellectual property issues have been litigated, are being litigated and will likely continue to be litigated, between existing and new participants in our existing and targeted markets, and one or more third parties may assert that our products or services infringe their intellectual property rights as part of a business strategy to impede our successful entry into or growth in those markets. Third parties may assert that we are employing their proprietary technology without authorization. We are also aware of issued U. S. patents and patent applications with subject matter related to our systems, workflows, consumables and reagent kits, and there may be other related third - party patents or patent applications of which we are not aware. For example, we are aware of a third - party U. S. issued patent that could possibly be construed to cover a part of one of our assay kits. In addition, we have received in the past, and may receive in the future, correspondence from third parties referring to the relevance of such third parties' intellectual property to our technology, our workflows or our advanced automated systems, and we are currently engaged in litigation with one such third party who sent us correspondence, AbCellera. Furthermore, our customers have received in the past, and may receive in the future, correspondence from third parties referring to the relevance of such third parties' intellectual property to our technology, our workflows or our advanced automated systems. Because patent applications can take many years to issue, there may be currently pending patent applications which may later result in issued patents that our current or future products and services may infringe. In addition, similar to what other companies in our industry have experienced, we expect our competitors and

others may have patents or may in the future obtain patents and claim that making, having made, using, selling, offering to sell or importing our platform, or the systems, workflows, consumables and reagent kits that comprise our platform, infringes these patents. Additionally, pending patent applications that have been published can, subject to certain limitations, be later amended in a manner that could cover our platforms, including our systems, workflows, consumables and reagent kits. Under the applicable law of certain jurisdictions, the scope of a patent claim is determined by an interpretation of the law, the written disclosure in a patent and the patent' s prosecution history. Our interpretation of the relevance or the scope of a patent or a pending application may be incorrect, which may negatively impact our ability to market our products. We may incorrectly determine that our products are not covered by a third **-** party patent or may incorrectly predict whether a third party' s pending application will issue with claims of relevant scope. Our determination of the expiration date of any patent in the United States or abroad that we consider relevant may be incorrect, which may negatively impact our ability to develop and market our products. There can be no assurance that we will prevail in any suit initiated against us by third parties, successfully settle or otherwise resolve patent infringement claims. Third parties making claims against us may be able to obtain injunctive or other relief, which could block our ability to develop, commercialize and sell products or services, and could result in the award of substantial damages against us, including treble damages, attorney' s fees, costs and expenses if we are found to have willfully infringed. In the event of a successful claim of infringement against us, we may be required to pay damages and ongoing royalties, and obtain one or more licenses from third parties, or be prohibited from selling certain products or services. We may not be able to obtain these licenses on acceptable or commercially reasonable terms, if at all, or these licenses may be non-exclusive, which could result in our competitors gaining access to the same intellectual property. In addition, we could encounter delays and incur significant costs, in product or service introductions while we attempt to develop alternative products or services, or redesign our products or services, to avoid infringing third **-** party patents or proprietary rights. Defense of any lawsuit or failure to obtain any of these licenses or to develop a workaround could prevent us from commercializing products or services, and the prohibition of sale or the threat of the prohibition of sale of any of our products or services could materially affect our business and our ability to gain market acceptance for our products or services. In addition, our agreements with some of our customers, partners, suppliers or other entities with whom we do business require us to defend or indemnify these parties to the extent they become involved in infringement claims, including the types of claims described above. We could also voluntarily agree to defend or indemnify third parties in instances where we are not obligated to do so if we determine it would be important to our business relationships. If we are required or agree to defend or indemnify third parties in connection with any infringement claims, we could incur significant costs and expenses that could adversely affect our business, financial condition, results of operations and prospects. Intellectual property litigation could cause us to spend substantial resources and distract our personnel from their normal responsibilities. Litigation or other legal proceedings relating to intellectual property claims, even if resolved in our favor, may cause us to incur substantial costs and divert the attention of our management and technical personnel from their normal responsibilities in defending against any of these claims. Parties making claims against us may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. Such litigation or proceedings could substantially increase our operating costs and reduce the resources available for development activities or any future sales, marketing, or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Uncertainties resulting from the initiation and continuation of intellectual property proceedings could harm our ability to compete in the marketplace. In addition, 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. Any of the foregoing could harm our business, financial condition, results of operations and prospects. We may become involved in lawsuits to protect or enforce our intellectual property, which could be expensive, time consuming and unsuccessful. Third parties, including our competitors, could be infringing, misappropriating or otherwise violating our intellectual property rights. Monitoring unauthorized use of our intellectual property is difficult and costly. From time to time, we seek to analyze our competitors' products and services, and may in the future seek to enforce our rights against potential infringement, misappropriation or violation of our intellectual property. However, the steps we have taken to protect our proprietary rights may not be adequate to enforce our rights as against such infringement, misappropriation or violation of our intellectual property. We may not be able to detect unauthorized use of, or take appropriate steps to enforce, our intellectual property rights. Any inability to meaningfully enforce our intellectual property rights could harm our ability to compete and reduce demand for our products and services. Litigation may be necessary for us to enforce our patent and proprietary rights or to determine the scope, coverage and validity of the proprietary rights of others. We are currently engaged in a lawsuit with AbCellera, the University of British Columbia, and Lineage based upon allegations of our infringement of intellectual property rights and we may become involved in additional lawsuits in the future. If we do not prevail in such legal proceedings, we may be required to pay damages, we may lose significant intellectual property protection for our products or services, such that competitors could copy our products or services and we could be forced to cease commercialization of certain of our products or services. Any litigation that may be necessary in the future could result in substantial costs and diversion of resources and could have a material adverse effect on our business, financial condition, results of operations and prospects. In any lawsuit we bring to enforce our intellectual property rights, a court may refuse to ~~the~~ stop the other party from using the technology at issue on grounds that our intellectual property rights do not cover the technology in question. Further, in such proceedings, the defendant could counterclaim that our intellectual property is invalid or unenforceable and the court may agree, in which case we could lose valuable intellectual property rights. The outcome in any such lawsuits ~~are~~ **is** unpredictable. Even if we do prevail in any future litigation related to intellectual property rights, the cost and time requirements of the litigation could negatively impact our financial results. Obtaining and maintaining our patent

protection depends on compliance with various required procedures, document submissions, fee payments 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, renewal fees, annuity fees and various other governmental fees on patents and / or applications will be due to be paid to the USPTO and various governmental patent agencies outside of the United States at several stages over the lifetime of the patents and / or applications. We have systems in place to remind us to pay these fees, and we engage an outside service and rely on our outside counsel to pay these fees due to non- U. S. patent agencies. The USPTO and various non- U. S. governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. We employ reputable law firms and other professionals to help us comply, and in many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. However, there are situations in which non- compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, our competitors may be able to enter the market without infringing our patents and this circumstance would have a material adverse effect on our business. Patent terms may be inadequate to protect our competitive position on our products for an adequate amount of time. Patents have a limited lifespan. In the United States, if all maintenance fees are timely paid, the natural expiration of a patent is generally 20 years from its earliest U. S. non- provisional filing date. Various extensions may be available, but the life of a patent, and the protection it affords, is limited. Even if patents covering our products are obtained, once the patent life has expired, we may be open to competition from competitive products. If one of our products requires extended development, testing and / or regulatory review, patents protecting such products might expire before or shortly after such products are commercialized. As a result, our owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours. Our use of open - source software could compromise our ability to offer our services and subject us to possible litigation. We use open source - software in connection with our products and services. Companies that incorporate open - source software into their products have, from time to time, faced claims challenging their use of open - source software and compliance with open - source license terms. As a result, we could be subject to lawsuits by parties claiming ownership of what we believe to be open - source software or claiming noncompliance with open - source licensing terms. Some open - source software licenses require users who distribute software containing open source software to publicly disclose all or part of the source code to the licensee' s software that incorporates, links or uses such open - source software, and make available to third parties for no cost, any derivative works of the open source - code created by the licensee, which could include the licensee' s own valuable proprietary code. While we monitor our use of open - source software and try to ensure that none is used in a manner that would require us to disclose our proprietary source code or that would otherwise breach the terms of an open - source agreement, such use could inadvertently occur, or could be claimed to have occurred, in part because open - source license terms are often ambiguous. There is little legal precedent in this area and any actual or claimed requirement to disclose our proprietary source code or pay damages for breach of contract could harm our business and could help third parties, including our competitors, develop products and services that are similar to or better than ours. Any of the foregoing could harm our business, financial condition, results of operations and prospects. Risks related to our common stock The market price of our common stock has been volatile and may continue to fluctuate substantially, which could result in a substantial loss for purchasers of our common stock. The trading price of our common stock has been and is likely to continue to be volatile. Since shares of our common stock were sold in our initial public offering in July 2020 at a price of $ 22. 00 per share, our stock price ranged from a high of $ 113. 53 to a low of $ ~~6~~ **1** . ~~52~~ **83** through ~~February 22~~ **January 25** , 2022. The market price of our common stock has been highly volatile and may continue to fluctuate substantially due to a number of factors such as those listed in " — Risks related to our business and strategy " and the following: • actual or anticipated fluctuations in our financial condition and operating results, including fluctuations in our quarterly and annual results; • variances in product and system reliability ~~; • our ability to hire a new CEO after our announcement of a CEO transition in January 2022~~ ; • the loss of senior management; • overall conditions in our industry and the markets in which we operate; • disputes or other developments with respect to our or others' intellectual property rights; • actual or anticipated changes in our operating results or growth rate as a result of our competitors' operating results; • our ability to develop, obtain any required regulatory clearance or approval for, and market new and enhanced products on a timely basis; • fluctuations in the valuation of companies perceived by investors to be comparable to us; • product liability claims or other litigation; • announcement or expectation of additional financing effort; • sales of our common stock by us or our stockholders; • share price and volume fluctuations attributable to inconsistent trading volume levels of our shares; • media exposure of our products or of those of others in our industry; • changes in applicable governmental regulations or in the status of our regulatory approvals or applications; • changes in earnings estimates or recommendations by securities analysts; and In recent years, the stock markets generally have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of listed companies. Broad market and industry factors may significantly affect the market price of our common stock, regardless of our actual operating performance. These fluctuations may be even more pronounced in the trading market for our common stock shortly following this offering. If the market price of shares of our common stock after this offering does not ever exceed the public offering price, you may not realize any return on your investment in us and may lose some or all of your investment. In addition, in the past, class action litigation has often been instituted against companies whose securities have experienced periods of volatility in market price. Securities litigation brought against us following volatility in our stock price, regardless of the merit or ultimate results of such litigation, such as the shareholder class action litigation filed against us in December 2021, could result in substantial costs, which would hurt our financial condition and operating results and divert management' s attention and resources from our business. The outcome of legal proceedings, such as the shareholder class action complaint filed against us and certain of our current and former executives, are uncertain and could negatively impact our business operations or financial performance. In December 2021, a

shareholder class action litigation titled " Victor J. Ng, Individually and on Behalf of All Others Similarly Situated, vs. Berkeley Lights, Inc., Eric D. Hobbs, Shaun M. Holt and Kurt Wood" was filed in federal court in the Northern District of California on behalf of all purchasers of Berkeley Lights common stock between July 17, 2020 and September 14, 2021, inclusive, alleging that the Company and certain of the Company' s current and former senior executives had violated § § 10 (b) and 20 (a) of the ~~Securities~~ Exchange Act ~~of 1934~~ and Rule 10b- 5 promulgated thereunder (~~the~~ " Securities Class Action "). The Securities Class Action asserts that, inter alia, statements about the superiority of ~~BLI' s~~ **the Berkeley Lights** ~~platform~~ **Platform** and about **our** ~~BLI' s~~ operational and financial growth ~~that~~ were allegedly false and misleading. Plaintiffs allege that the concealed " truth " was revealed in a Scorpion Capital report on September 15, 2021, entitling class members to recover market losses as damages caused by the alleged fraud. Outcomes in litigation can be uncertain and it is possible a court may disagree with our position that the Securities Class Action is without merit. In addition to the business interruption caused by the time and cost of litigation, which could negatively impact our business and financial condition, an adverse determination in the Securities Class Action could subject us to significant liabilities, which could have a material adverse effect on our business, financial condition, results of operations and prospects. The current complaint alleges only claims based upon Section 10 (b) of the Exchange Act ~~of 1934~~, it is possible that a consolidated complaint could also include claims based upon Section 11 of the Securities Act ~~of 1933~~. It is also possible that a shareholder derivative lawsuit may be filed against us. Any of such legal proceedings could serve to be disruptive to our business operations and negatively impact our financial performance. Our directors, officers and principal stockholders have significant voting power and may take actions that may not be in the best interests of our other stockholders. As of December 31, ~~2021~~ **2022**, our executive officers, directors and principal stockholders each holding more than 5 % of our common stock collectively control approximately ~~40~~ **35** % of our outstanding common stock. As a result, these stockholders, if they act together, will be able to control the management and affairs of our company and most matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions. This concentration of ownership may have the effect of delaying or preventing a change of control **,** ~~and might~~ adversely affect the market price of our common stock **and** ~~. This concentration of ownership~~ may not be in the best interests of our other stockholders. Provisions in our corporate charter documents and under Delaware law could make an acquisition of us more difficult and may prevent attempts by our stockholders to replace or remove our current management **and limit the market price of our common stock**. 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 of us that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our common stock, thereby depressing the market price of our common stock. In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors. Because our board of directors is responsible for appointing the members of our management team, these provisions could in turn affect any attempt by our stockholders to replace current members of our management team. Among others, these provisions include that: • our board of directors has the right to expand the size of our board of directors and to elect directors to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors; • our board of directors is divided into three classes, Class I, Class II and Class III, with each class serving staggered three- year terms, which may delay the ability of stockholders to change the membership of a majority of our board of directors; • our stockholders may not act by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders; • a special meeting of stockholders may be called only by the chair of the board of directors, the chief executive officer, or a majority of the board of directors, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors; • our amended and restated certificate of incorporation prohibits cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates; • our board of directors may alter our bylaws without obtaining stockholder approval; • the required approval of the holders of at least two- thirds of the voting power of all of the then outstanding shares of voting stock to adopt, amend or repeal our bylaws or repeal the provisions of our amended and restated certificate of incorporation regarding the election and removal of directors; • stockholders must provide advance notice and additional disclosures in order to nominate individuals for election to the board of directors or to propose matters that can be acted upon at a stockholders' meeting, which may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the acquiror' s own slate of directors or otherwise attempting to obtain control of our company; and • our board of directors is authorized to issue shares of preferred stock and to determine the terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquiror. Moreover, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which prohibits a person who owns in excess of 15 % of our outstanding voting stock from merging or combining with us for a period of three years after the date of the transaction in which the person acquired in excess of 15 % of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner. Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware will be the exclusive forum for certain disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees. Our amended and restated certificate of incorporation specifies that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for most legal actions involving actions brought against us by stockholders; provided that, if and only if the Court of Chancery of the State of Delaware dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state or federal court sitting in the State of Delaware. Our amended and restated certificate of incorporation also provides that the federal district courts of the United States of America will be the exclusive forum for the resolution of any

complaint asserting a cause of action against us or any of our directors, officers, employees or agents and arising under the Securities Act. We believe these provisions may benefit us by providing increased consistency in the application of Delaware law and federal securities laws by chancellors and judges, as applicable, particularly experienced in resolving corporate disputes, efficient administration of cases on a more expedited schedule relative to other forums and protection against the burdens of multi- forum litigation. However, these provisions may have the effect of discouraging lawsuits against our directors and officers. The choice of forum provision requiring that the Court of Chancery of the State of Delaware be the exclusive forum for certain actions would not apply to suits brought to enforce any liability or duty created by the Exchange Act. ~~There~~ -- **The** ~~is uncertainty as to whether a court would enforce such provisions, and the~~ enforceability of similar choice of forum provisions in other companies' charter documents has been challenged in legal proceedings **and it is possible that, in connection with any applicable action brought against us, a court could find the choice of forum provisions contained in the Certificate of Incorporation to be inapplicable or unenforceable in such action. Specifically, the choice of forum provision in requiring that the state courts of the State of Delaware be the exclusive forum for certain suits would (i) not be enforceable with respect to any suits brought to enforce any liability or duty created by the Exchange Act and (ii) have uncertain enforceability with respect to claims under the Securities Act. The choice of forum provision in the Certificate of Incorporation does not have the effect of causing our stockholders to have waived our obligation to comply with the federal securities laws and the rules and regulations thereunder** . While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions, and there can be no assurance that such provisions will be enforced by a court in those other jurisdictions. If a court were to find these types of provisions to be inapplicable or unenforceable, and if a court were to find the exclusive forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could materially adversely affect our business. Because we do not anticipate paying any cash dividends on our capital stock in the foreseeable future, capital appreciation, if any, will be ~~your~~ **our stockholder' s** sole source of gain. We have never declared or paid cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. Any future determination related to dividend policy will be made at the discretion of our board of directors, subject to applicable laws and the restrictions set forth in any of our contractual agreements, and will depend upon, among other factors, our results of operations, financial condition, contractual restrictions and capital requirements. In particular, unless waived, the terms of our **Amended** ~~loan~~ **Loan** ~~and security agreement~~ **Agreement** with East West Bank generally prohibit us from declaring or paying any cash dividends and making any other distributions. In addition, any future debt or preferred securities or future debt agreements we may enter may preclude us from paying dividends. As a result, capital appreciation, if any, of our common stock will be ~~your~~ **our stockholders'** sole source of gain for the foreseeable future **. Tax legislative or regulatory initiatives, new interpretations or developments concerning existing tax laws, or challenges to our tax positions could adversely affect our results of operations and financial condition. We have operations in the United States and internationally. As such, we are subject to the tax laws and regulations of the U. S. federal, state, and local governments and of various other jurisdictions outside of the United States. Periodically, various legislative initiatives may be proposed that could adversely affect our tax positions, and existing legislation may be subject to additional regulatory changes or new interpretations. There can be no assurance that our effective tax rate or tax payments will not be adversely affected by these initiatives. U. S. federal, state, local, and foreign tax laws and regulations are extremely complex and subject to varying interpretations. We are subject to examination of our income tax returns by various tax authorities. Examinations or changes in laws, rules, regulations, or interpretations by taxing authorities could result in adverse impacts to tax years open under statute or to our operating structures currently in place. It is possible that the outcomes from these examinations or changes in laws, rules, regulations, or interpretations by taxing authorities will have a material adverse effect on our financial condition or results of operations** . Our ability to use our net operating losses and certain other tax attributes may be limited. Under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended ~~, or the Code~~ , if a corporation undergoes an " ownership change, " generally defined as a cumulative change of more than 50 percentage points (by value) in its equity ownership by certain stockholders over a three- year period, the corporation' s ability to use its pre- change **net operating loss (" NOL ")** carryforwards and other pre- change tax attributes (such as research tax credits) to offset its post- change income or taxes may be limited. We have experienced at least one ownership change in the past, and we may experience ownership changes in the future as a result of shifts in our stock ownership (some of which shifts are outside our control). As a result, if we earn net taxable income, our ability to use our pre-change NOL carryforwards to offset such taxable income may be subject to limitations. Similar provisions of state tax law may also apply to limit our use of accumulated state tax attributes. As a result, even if we attain profitability, we may be unable to use a material portion of our NOL carryforwards and other tax attributes, which could adversely affect our future cash flows. General risk factors Our actual operating results may differ significantly from any operating guidance we may provide. From time to time, we release guidance in our quarterly or annual earnings conference calls, quarterly or annual earnings releases, or otherwise, regarding our future performance that represents our management' s estimates as of the date of release. This guidance, which includes forward- looking statements, is based on projections prepared by our management. These projections may not be prepared with a view toward compliance with published guidelines of the American Institute of Certified Public Accountants, ~~or AICPA,~~ and neither our registered public accountants nor any other independent expert or outside party compiles or examines the projections. Accordingly, no such person will express any opinion or any other form of assurance with respect to the projections. Projections are based upon a number of assumptions and estimates that, while presented with numerical specificity, are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control and are based upon specific assumptions with respect to future business decisions, some

of which will change. The principal reason that we may release guidance is to provide a basis for our management to discuss our business outlook with analysts and investors. We do not accept any responsibility for any projections or reports published by any such third parties. Guidance is necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the guidance furnished by us will not materialize or will vary significantly from actual results. Accordingly, our guidance is only an estimate of what management believes is realizable as of the date of release. Actual results may vary from our guidance and the variations may be material. Any failure to successfully implement our operating strategy or the occurrence of any of the events or circumstances set forth in this " Risk Factors " section ~~in this Annual Report~~ could result in actual operating results being different from our guidance, and the differences may be adverse and material. Securities analysts may not publish favorable research or reports about our business or may publish no information at all, which could cause our stock price or trading volume to decline. The trading market ~~of~~ **for** our common stock is influenced to some extent by the research and reports that industry or financial analysts publish about us and our business. We do not control these analysts. As a newly public company, we may be slow to attract research coverage and the analysts who publish information about our common stock will have had relatively little experience with us or our industry, which could affect their ability to accurately forecast our results and could make it more likely that we fail to meet their estimates. If any of the analysts who cover us provide inaccurate or unfavorable research or issue an adverse opinion regarding our stock price, our stock price could decline. If one or more of these analysts cease coverage of us or fail to publish reports covering us regularly, we could lose visibility in the market, which in turn could cause our stock price or trading volume to decline. If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our operating results could fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. If our assumptions change or if actual circumstances differ from our assumptions, our operating results may be adversely affected and could fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock. If we experience material weaknesses in the future or otherwise fail to implement and maintain an effective system of internal controls in the future, we may not be able to accurately report our financial condition or results of operations which may adversely affect investor confidence in us and, as a result, the value of our common stock. As a result of becoming a public company, we **are** ~~will be~~ required, under Section 404 of the Sarbanes- Oxley Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting beginning with our Annual Report ~~on Form 10- K for the year ended December 31, 2021~~ . This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. 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 a company' s annual and interim financial statements will not be detected or prevented on a timely basis. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation. To comply with the requirements of being a reporting company under the Exchange Act, including performing the evaluation needed to comply with Section 404, we will need to implement additional financial and management controls, reporting systems and procedures and hire additional accounting and finance staff. We may not be able to complete our evaluation, testing and any required remediation in a timely fashion. During the evaluation and testing process, if we identify one or more material weaknesses in our internal control over financial reporting, we will be unable to assert that our internal controls are effective. The effectiveness of our controls and procedures may be limited by a variety of factors, including: • faulty human judgment and simple errors, omissions or mistakes; • fraudulent action of an individual or collusion of two or more people; • inappropriate management override of procedures; and • the possibility that any enhancements to controls and procedures may still not be adequate to assure timely and accurate financial control. We cannot assure you that there will not be material weaknesses in our internal control over financial reporting in the future. Any failure to implement and maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition, results of operations or cash flows. If we are unable to conclude that our internal control over financial reporting is effective, or if our independent registered public accounting firm determines we have a material weakness in our internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports, the market price of our common stock could decline, and we could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities. Failure to remedy any material weakness in our internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict our future access to the capital markets. We incur significant ~~additional~~ costs as a result of ~~being~~ **operating as** a public company ~~, which may adversely affect our business, financial condition, results of operations~~ and ~~prospects~~ **our management is required to devote substantial time to the new compliance initiative** . We incur costs associated with corporate governance requirements applicable to us as a public company, including rules and regulations of the SEC, under the Sarbanes- Oxley Act, the Dodd- Frank Wall Street Reform and Consumer Protection Act of 2010, and the ~~Securities Exchange Act of 1934, as amended, or the~~ Exchange Act, as well as the rules of Nasdaq. These rules and regulations are expected to significantly increase our accounting, legal and financial compliance costs and make some activities more time- consuming. We also expect these rules and regulations to make it more expensive for us to maintain directors' and officers' liability insurance. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our board of directors or as executive officers. Accordingly, increases in costs incurred as a result of becoming a publicly- traded company may adversely affect our business, financial

condition, results of operations and prospects. Unfavorable global economic conditions could adversely affect our business, financial condition or results of operations. ~~Our results of operations could be adversely affected by general conditions in the global economy and in the global financial markets.~~ A severe or prolonged economic downturn, or additional global financial crises, whether related to the ongoing COVID- 19 pandemic or not, or macroeconomic issues caused by events such as the Russia- Ukraine conflict, **inflation, rising interest rates, availability of capital markets, energy availability and costs or governmental initiatives to manage economic conditions. Such events or factors** could result in a variety of risks to our business, including weakened demand for our BLI Platform and our workflows, systems and instruments, or our ability to raise additional capital when needed on acceptable terms, if at all. A weak or declining economy could also strain our suppliers, possibly resulting in supply disruption. ~~Any of~~ **We cannot predict changes in worldwide or regional economic conditions and government policies, as such conditions are highly volatile and beyond our control. If** ~~the~~ **these** ~~foregoing~~ **conditions deteriorate for extended periods, however, our business, results of operations and financial condition** could **be materially** ~~harm our business and we cannot anticipate all of the ways in which the current economic climate and financial market conditions could~~ adversely **affected** ~~impact our business~~. ~~Our employees, consultants, distributors and commercial partners may engage in misconduct~~ **Misconduct** ~~or other improper activities~~, ~~including~~ non- compliance with **laws,** ~~regulatory~~ **regulations** ~~standards and requirements~~, **contractual arrangements** and ~~insider trading~~ **internal policies and unauthorized actions taken purportedly on our behalf by our employees, consultants, distributors, agents and vendors or third- parties exposes us to risk**. We are exposed to the risk of fraud **,** ~~or other~~ misconduct **or unauthorized conduct** by our employees, consultants, distributors ~~and~~ **,** commercial partners **, agents and vendors or other third- parties. For example, in November 2022, we became aware that an unknown third- party, impersonating an employee over e- mail through domain spoofing, fraudulently induced the Company' s transfer agent to issue and convey 3. 3 million purported shares of our common stock, which shares we believe were subsequently sold on the open market approximately between October 7, 2022, and November 3, 2022**. Misconduct **or fraudulent acts** by these parties could include intentional failures to comply with the applicable laws and regulations in the United States and abroad, **including but not limited to** ~~report~~ **reporting** financial information or data accurately or ~~disclose~~ **disclosing** unauthorized activities to us. ~~These laws and regulations may restrict or prohibit a wide range of pricing, discounting and other business arrangements.~~ Such **fraudulent acts or** misconduct could result in legal or regulatory sanctions and cause serious harm to our reputation **, as well as impact our ongoing business relationships. Unauthorized conduct could include intentional or unintentional failures by these parties to comply with contractual terms, policies, procedures and internal controls. The result of such unauthorized conduct could be difficult and costly to unwind or otherwise address**. It is not always possible **, and we are not always able** to identify and deter ~~employee~~ **such fraud,** misconduct, **or unauthorized conduct by such parties,** and ~~any~~ other precautions we take to detect and prevent ~~this~~ **such** ~~activity~~ **activities** ~~may~~ **are** not ~~be~~ **always** effective in controlling ~~unknown or unmanaged~~ risks or losses, or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws ~~or~~ **,** regulations **, contractual arrangements, policies, procedures or controls**. If any ~~such~~ actions are instituted against us **for such fraud, misconduct or unauthorized conduct**, and we are not successful in defending ourselves or asserting our rights, ~~those~~ **such** actions could result in the imposition of significant civil, criminal and administrative penalties, which could have a significant impact on our business. Whether or not we are successful in defending against such actions or investigations, we could incur substantial costs, including legal fees and divert the attention of management in defending ourselves against any of these claims or investigations. **Disasters and other business disruptions could seriously harm our future revenue and financial condition and increase our costs and expenses. We operate our business in regions subject to earthquakes, fires, medical epidemics, and pandemics, power shortages, telecommunications failures, water shortages, floods, hurricanes, typhoons, shifting climate patterns, extreme weather conditions, and other natural or man- made disasters or business interruptions. Additionally, we rely on third- party manufacturers to produce various components that are integrated into our products, third- party distributors to distribute our products and customers to purchase our products, each of which is also vulnerable to such natural or man- made disasters or business interruptions. Our ability to obtain supplies of components and to distribute and sell our finished products could be disrupted if the operations of these suppliers, distributors or customers were materially affected by any such natural or man- made disaster or other business interruption. In addition, our corporate headquarters and manufacturing facilities are located in Emeryville, California, near major earthquake faults and fire zones. If a major earthquake, wildfire or other natural disaster were to damage our facilities or the facilities of suppliers and service providers or impact the ability of our employees or the employees of our suppliers and service providers to continue business operations, we may experience potential impacts ranging from production and shipping delays to lost revenues and increased costs. The occurrence of any of these natural or man- made disasters or other business disruptions could seriously harm our operations and financial condition and increase our costs and expenses.**