Risk Factors Comparison 2024-02-28 to 2023-02-23 Form: 10-K

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You should consider carefully the following information about the risks described below, together with the other information contained in this Annual Report on Form 10- K and in our other public filings, in evaluating our business. If any of the following risks actually occurs, our business, financial condition, results of operations, and future growth prospects would likely be materially and adversely affected. In these circumstances, the market price of our common stock would likely decline. Summary Risk Factors Our business is subject to numerous risks and uncertainties that you should consider before investing in our company, as more fully described below. The principal factors and uncertainties that make investing in our company risky include, among others: Risks Related to Our Business • We are a development stage company that has incurred net losses in every period to date, has not yet commercialized any products, and expects to continue to incur significant losses as we develop our business. • Our business is entirely dependent on the successful development and commercialization of our proteomics platform (the " Nautilus platform "), which remains in the development stage and could be subject to delays, technical challenges and market acceptance challenges. • We may not compete successfully with our initial or future products in the highly competitive life sciences technology market. • We are dependent upon third parties for certain aspects of the development and commercialization of the Nautilus platform. • Our business depends significantly on research and development spending by pharmaceutical companies as well as by academic institutions and other research institutions and any reduction in spending could limit demand for our products. • We may not be able to launch our Nautilus platform successfully and even if it is successful, we may experience material delays in our commercialization program relative to current expectations. • Our operating results 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 or our guidance. • We may need to raise additional capital to fund our development and commercialization plans. Risks Related to Our Intellectual Property • We may be unable to obtain and maintain sufficient intellectual property protection for our products and technology, or if the scope of our intellectual property protection obtained is not sufficiently broad, competitors could develop and commercialize products similar or identical to ours. • We may not be able to protect our intellectual property and proprietary rights throughout the world. Risks Related to Litigation • We may become involved in litigation to enforce or defend our intellectual property rights, or to defend ourselves from claims that we infringe the intellectual property rights of others. • We may face liability and / or negative publicity for any unknown defects or errors in our products. Risks Related to Regulatory and Legal Compliance Matters • Our products may, in the future, be subject to regulation by the FDA or other regulatory authorities. • We are currently subject to, and may in the future become subject to additional, U. S. federal and state laws and regulations, as well as the laws and regulations of other countries, relating to how we collect, store and process personal information. • Future expansion of our development and commercialization activities outside of the United States, may subject us to an increased risk of inadvertently conducting activities in a manner that violates the U. S. Foreign Corrupt Practices Act and similar laws. • Environmental and health safety laws, including any failure to comply with such laws, may result in liabilities, expenses and restrictions on our operations. • Our employees, independent contractors, consultants, commercial partners, distributors and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements. Risks Related to our Operations • We may experience a significant disruption in our information technology systems or breaches of data security. • We are highly dependent on our key personnel, and if we are unable to recruit and retain key executives and scientists, we may not be able to achieve our goals. • Our operations and financial results could be adversely impacted by global and national events, such as the COVID- 19 pandemic, conflicts in Eastern Europe **and the Middle East** , and general economic downturns. • Global supply chain interruptions may negatively impact the development and commercialization of our products. Risks Related to Our Common Stock • The price of and market for our Common Stock may be volatile, which could result in substantial losses for investors and / or an inability to readily trade in our Common Stock. General Risk Factors • We will continue to incur significant increased costs and management resources as a result of operating as a public company. • Reports published by analysts, including projections in those reports that differ from our actual results, could adversely affect the price and trading volume of our common shares. • Our ability to timely and accurately report our financial results and projections as a public company may be impacted by the effectiveness of our internal controls, and our estimates and judgments relating to critical accounting policies. Our risk factors are not guarantees that no such conditions exist as of the date of this report and should not be interpreted as an affirmative statement that such risks or conditions have not materialized, in whole or in part. We are a development stage company that has incurred net losses in every period to date, has not yet commercialized any products, and expects to continue to incur significant losses as we develop our business. We may never achieve profitability. We are a development stage company that has incurred net losses in each quarterly and annual period since inception and that has not yet generated any revenue. We expect to incur increasing costs as we continue to devote substantially all of our resources towards the development and anticipated future commercialization of our Nautilus platform, which includes our end- to- end solution comprised of instruments, consumables, and software analysis. We cannot be certain if we will ever generate revenue or if or when we will produce sufficient revenue from operations to support our costs. Even if profitability is achieved, we may not be able to sustain profitability. We incurred net losses of $ **63. 7 million and $** 57. 9 ~~million and $ 50. 3~~ million during the years ended December 31, **2023 and** 2022 ~~and~~ **, respectively. As of** December 31, ~~2021~~ **2023** ~~, respectively. As of December 31, 2022~~ , we had an accumulated deficit of $ ~~138~~ **202** . ~~6~~ **2** million. These losses and accumulated deficit were primarily due to the substantial investments we made in the scientific and technological development of our Nautilus platform. We expect to incur

substantial losses and negative cash flows for the foreseeable future. In addition, as a public company, we will **continue to** incur significant legal, accounting, and other expenses that we did not incur as a private company. These increased expenses will make it harder for us to achieve and sustain future profitability. We may incur significant losses in the future for a number of reasons, many of which are beyond our control, including the other risks described in this Annual Report on Form 10- K. Our business is entirely dependent on the success of our Nautilus platform, which remains in the development stage and subject to scientific and technical validation. If we are unable to develop and commercialize our Nautilus platform successfully and in a manner that provides currently anticipated functionality and levels of performance, we may never be able to recognize any revenue, and our business, operating results, and financial condition will suffer. Our future success is entirely dependent on our ability to successfully develop and commercialize our Nautilus platform, which is based on innovative yet complex and unproven technologies and which is anticipated to be used in demanding scientific research that requires substantial levels of accuracy and precision. We are investing substantially all of our management efforts and financial resources in the development and commercialization of our Nautilus platform. Additionally, in developing our platform technology, we currently rely on co-development partners to assist us in the development of certain component technologies in our platform. We have experienced difficulties with some of these partners successfully delivering these component technologies on time and to our specifications, and these partners may not be successful in delivering these component technologies on time, to our specifications, or at all, in the future, which could have an adverse impact on our ability to meet our development timelines, and / or our products **'** level of currently anticipated functionality and performance. While our goal is to leverage our Nautilus platform to comprehensively measure the human proteome, the human proteome is dynamic and far more complex and diverse in structure, composition and number of variants than either the genome or transcriptome. If we cannot successfully complete platform development, if we are unable to achieve our goals for mapping the proteome, if our products fail to deliver currently anticipated functionality and levels of performance, if our products are found by a court of law to infringe the intellectual property of another party, or if we are unable to obtain broad scientific and market acceptance of our products and technologies, we may never recognize material revenue and may be unable to continue our operations. We have not yet commercially launched our Nautilus platform. We may not be able to launch our Nautilus platform successfully and even if it is successful, we may experience material delays in our commercialization program relative to current expectations. We anticipate commercializing our Nautilus platform in three phases involving first collaboration with biopharmaceutical companies and key opinion leaders to validate the performance and utility of our product, during which we do not expect to recognize significant revenue, if any; secondly an early access limited release phase in which we expect to recognize limited revenue; and finally a broader commercial launch phase. We are currently in the collaboration phase during which we have entered into ~~and are seeking to enter into~~ collaborations with a small number of research customers, including with biopharmaceutical companies and key opinion leaders in proteomics whose assessment and validation of our products can significantly influence other researchers in their respective markets and / or fields. We do not anticipate that these activities will result in any material revenue. During the second, early access phase, we expect to work closely with early access customers to demonstrate a unique value proposition for our Nautilus platform. During this phase, we plan to provide early access program partners with broad- scale analysis and profiling of samples analyzed in our facility and shared via a cloud platform. We anticipate ~~meaningful~~ early access engagements and associated revenue **in** ~~to begin at the start of 2024~~ **2025** . We expect this second phase to lead into the third phase of broad commercialization and launch of ~~the~~ **our** proteome analysis platform in ~~mid- 2024~~ **2025 . Voice of customer studies have suggested that there is market demand for a proteomics platform with specifications that are initially lower than what we have previously disclosed, for example, around characteristics such as sample input and proteome coverage. Consequently, as we balance our time to market goals with our evolving view of customer requirements, we are refining our initial launch specifications. We believe that subsequent consumable releases will enable our platform to meet or exceed our previously announced product specifications** . Achieving the scientific and commercial objectives identified above within currently anticipated timelines will require substantial investments in our technologies and in the underlying science. Scientific and technological development of the nature being undertaken by us is extraordinarily complex, and there can be no assurances that any of these phases of commercial development will be successful or that they will be completed within the timelines currently anticipated. Given the scientific and technical complexity of our products, we could experience material delays in product development and commercial launch. If our research and product development efforts do not result in commercially viable products within the anticipated timelines, our business, operating results, and financial condition will be adversely affected. The commercialization of our products will require us to establish relationships and successfully collaborate with leading life science companies and research institutions, initially to test and validate our products and subsequently as we seek to expand the markets for our products. We may be unable to establish sufficient collaborations of this nature, and such collaborations could result in agreements that limit or otherwise impair our flexibility to pursue other strategic opportunities. As noted above, establishing collaborations and partnerships with large pharmaceutical and biotechnology companies and with major research institutions is a material element of our commercialization strategy. While early collaborations are expected to focus on the assessment and validation of our Nautilus platform with a focus in part on publication of results in peer- reviewed scientific journals, we also intend to pursue additional, potentially revenue- generating collaborations in areas of biological interest. Among other examples, we may pursue collaborations relating to the development and commercialization of therapeutic product candidates targeting proteins identified by our Nautilus platform. There can be no assurance that we will be successful in developing or maintaining collaborations or that, if established, these collaborations will achieve the desired objectives. Establishing collaborations is difficult and time- consuming. Discussions may not lead to collaborations on favorable terms, if at all, and particularly where we are negotiating against major pharmaceutical companies, we may have relatively less leverage in negotiating favorable terms. To the extent we agree to work exclusively with a party in a given field, our opportunities to collaborate with others in that field would be limited. Certain parties may seek to partner with other companies in addition to us in connection with a

project. This, in turn, may limit the commercial potential of any products that are the subject of such collaborations. Potential collaborators may elect not to work with us based upon their assessment of our financial, regulatory, commercial or intellectual property position. Even if we are successful in entering into collaborations, the success of such collaborations will depend heavily on the efforts and activities of our collaborators. Scientific collaborations of the nature we propose to pursue are subject to numerous risks, including that: • collaborators may have significant discretion in determining the efforts and resources that they will apply to a specific project; • collaborators may not pursue development and commercialization of products or may elect not to continue or renew development or commercialization programs based on trial or test results, changes in their strategic focus due to the acquisition of competitive products, availability of funding, or other external factors such as a business combination that diverts resources or creates competing priorities; • collaborators may own intellectual property covering products that result from our collaboration with them, and in such cases, we would not have the right to develop or commercialize such intellectual property; • collaborators may co- own intellectual property covering products that result from our collaboration with them, and in such cases, we would not have the right to exclude others from developing or commercializing such intellectual property; • collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with product candidates that are being developed under the collaboration with us; • a collaborator with marketing, manufacturing, and distribution rights to one or more products may not commit sufficient resources to or otherwise not perform satisfactorily in carrying out these activities; • we could grant exclusive rights to our collaborators that would prevent us from collaborating with others; • collaborators may not properly maintain or defend our intellectual property rights or may use our intellectual property or proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential liability; • disputes may arise between us and a collaborator that cause the delay or termination of the research, development, or commercialization of products or that result in costly litigation or arbitration that diverts management attention and resources; • collaborations may be terminated, and, if terminated, in addition to reducing our revenue, may reduce exposure to research and clinical trials that facilitate the collection and incorporation of new information into our platform; and • a collaborator' s sales and marketing activities or other operations may not be in compliance with applicable laws resulting in civil or criminal proceedings. In addition, before obtaining marketing approval from regulatory authorities for the sale of product candidates subject to future collaborations, our collaborators must conduct extensive clinical trials to demonstrate the safety and efficacy of the product candidates. If clinical trials of product candidates resulting from collaborations are prolonged or delayed, collaborators may be unable to obtain required regulatory approvals and therefore be unable to commercialize product candidates on a timely basis or at all, which may have a material impact on the revenue recognized from such collaborations. Even if we are able to complete development of our Nautilus platform, we may not achieve or maintain significant commercial market acceptance. Even if we are able to complete development of our Nautilus platform, the platform will be subject to market forces and adoption curves common to new technologies. The market for novel proteomics technologies and products like those being developed by us is in the early stages of development. While these technologies present the potential to displace legacy products, changing long- standing scientific workflows with new instruments requiring substantial capital expenditures will require us to invest substantial financial and management resources to educate potential customers on the benefits of our Nautilus platform relative to existing technologies and to validate our Nautilus platform' s ability to meet customer requirements. In that regard, we anticipate that our initial market focus will be pharmaceutical development and associated research, which are characterized by demanding and exacting requirements for product performance and accuracy. If widespread adoption of our Nautilus platform takes longer than anticipated or does not occur, our business will be materially and adversely affected. More specifically, the successful introduction of new technologies in life science markets requires substantial engagement with the scientific community in order to encourage community acceptance of the utility, performance, and cost of the technology relative to its benefits in the applicable field or fields of research. The life sciences scientific community is often led by a small number of early adopters and key opinion leaders who significantly influence the larger community through publications in peer- reviewed journals. In these journal publications, the researchers describe not only their discoveries but also the methods and typically the products used to fuel these discoveries. We expect that references to the use of our Nautilus platform in peer- reviewed journal publications will be critical to our ability to obtain widespread acceptance within the scientific community. In addition, continuing collaborative relationships with key opinion leaders will be vital to maintaining any market acceptance we achieve. If too few researchers describe the use of our products, too many researchers shift to a competing product and publish research outlining their use of that product, or too many researchers negatively describe the use of our products in publications, customers may be less willing to engage with us concerning our products, which could materially delay our commercialization plan and / or substantially extend our sales cycles. Moreover, these customers may ultimately be less willing to purchase our products, which would adversely affect our business and future revenue. Specific, material factors that will influence our ability to achieve market acceptance include the following: • the ability of our marketing and engagement initiatives to increase awareness of the capabilities of our Nautilus platform; • the ability of our Nautilus platform to demonstrate reliable performance in intended use applications, in particular, when the platform is used by customers in their own research; • our ability to demonstrate that the functionality and performance of our Nautilus platform relative to alternative products and technologies justifies the substantial anticipated cost of the platform; • the willingness of prospective customers to adopt new products and workflows; • the ease of use of our Nautilus platform and whether it reliably provides significant advantages over alternative products and technologies; • the rate of adoption of our Nautilus platform by biopharmaceutical companies, laboratories, academic institutions and others; • the prices at which we will be able to sell our Nautilus platform instruments and consumables; • our ability to develop new products, workflows, and solutions that meet customer requirements; • the introduction or development and commercialization by competitors of new products or enhancements to existing products with functionality and / or performance similar to our Nautilus platform; and • the impact of

our investments in product innovation and commercial growth. We cannot assure you that we will be successful in addressing any of these criteria or any additional criteria that might affect the market acceptance of our products. If we are unsuccessful in achieving and maintaining market acceptance of our Nautilus platform, our business, financial condition and results of operations would be adversely affected. We have no experience in manufacturing our products at commercial scale. If we are unable to establish manufacturing capacity by ourselves or with partners in a timely manner after completing development, commercialization of our Nautilus platform would be delayed, which would result in lost revenue and harm our business. In order for us to commercialize our Nautilus platform in volume, we will need to establish internal manufacturing capacity or to contract with one or more manufacturing partners, or both. Our technology is complex, and the manufacturing process for our products will be similarly complex, involving a large number of unique precision parts in addition to the production of various reagents and antibodies. We may encounter unexpected difficulties in manufacturing our Nautilus platform, including our proteome analysis system and related consumables. Among other factors, we will need to develop reliable supply chains for the various components in our platform instruments and consumables to support large- scale commercial production. In connection with our Nautilus platform, we may utilize long lead time instrument system components, such as cameras and lasers, and as a result, it may impact our ability to consistently source such components. Additionally, we intend to utilize over 300 complex reagents and various antibodies in order to generate deep proteomic information at the speed and scale which we expect our Nautilus platform to perform. Such reagents and antibodies are expected to be more difficult to manufacture and more expensive to procure. There are no assurances that we will be able to build manufacturing or consumable production capacity internally or find one or more suitable manufacturing or production partners, or both, to meet the volume and quality requirements necessary to be successful in the proteomics market. In addition, in connection with establishing third party relationships or sourcing component supplies, including with respect to instrument components, reagents and antibodies, we may incur costs that are higher than currently expected and that may adversely affect our gross margins and operating results following commercialization. Assuming we complete development of our Nautilus platform, we may experience manufacturing and product quality issues as we increase the scale of our production. Any delay or inability in establishing or expanding our manufacturing capacity could diminish our ability to develop or sell our products, result in increased or unanticipated costs, result in lost revenue, and seriously harm our business, results of operations and financial condition. If we are unable to establish an effective commercial organization, including effective distribution channels and sales and marketing functions, we may not be successful in commercializing our Nautilus platform. We are only beginning to establish an internal organization focused specifically on the commercialization of our Nautilus platform. Our initial hiring has focused on senior commercial leadership, and although this leadership has considerable industry experience, in order to achieve substantial revenue growth and profitability, we will be required to develop sales, marketing, distribution, customer service, and customer support capabilities. Staffing of these functions will frequently require individuals with the requisite technical and scientific expertise to establish and support sales of a sophisticated and complex platform for life sciences experimentation. We will be required to expend substantial financial resources to hire personnel and develop our commercial operations prior to commercial launch of our Nautilus platform. Accordingly, these initiatives will adversely affect our operating expenses prior to us having material off-setting revenue, if any. To develop these functions successfully, we will face a number of additional risks, including: • our ability to attract, retain, and manage the sales, marketing, customer service, and customer support force necessary to commercialize and gain market acceptance for our technology, with the additional challenge that many of these new hires will require specific scientific and technological expertise that may be more difficult to find; and • the time and cost of establishing a specialized sales, marketing and customer service and support force. In addition to our internal organization, we may seek to enlist one or more third parties to assist with sales, distribution, and customer service and support globally or in certain regions of the world. In certain markets, we could seek to establish partnerships with larger market participants to provide access to their distribution channels and which could also involve scientific or technological collaboration. There is no guarantee, if we do seek to enter into any of these arrangements, that we will be successful in attracting desirable partners or that we will be able to enter into such arrangements on commercially favorable terms. If our commercialization efforts, or those of any third- party partners, are not successful, our Nautilus platform may not gain market acceptance, which could materially impact our business and results of operations. The size of the markets for our Nautilus platform may be smaller than estimated, and new market opportunities may not develop as quickly as we expect, or at all, limiting our ability to successfully sell our products. The market for proteomics technologies and products is evolving, making it difficult to predict with any accuracy the size of the markets for our current and future products, including our Nautilus platform. Our estimates of the total addressable market for our current and future products, including with respect to the proteomics market, the diagnostic market, and the mass spectrometry market, are based on a number of internal and third- party estimates and assumptions. In particular, our estimates are based on our expectations that researchers in the market for certain life sciences research tools and technologies will view our products as competitive alternatives to, or better options than, existing tools and technologies. We also expect researchers will recognize the ability of our products to complement, enhance and enable new applications of their current tools and technologies. We expect them to recognize the value proposition offered by our products enough to purchase our products in addition to the tools and technologies they already own. Underlying each of these expectations are a number of estimates and assumptions that may be incorrect, including the assumptions that government or other sources of funding will continue to be available to life sciences researchers at times and in amounts necessary to allow them to purchase our products and that researchers have sufficient samples and an unmet need for performing proteomics studies at scale across thousands of samples. In addition, sales of new products into new market opportunities may take years to develop and mature and we cannot be certain that these market opportunities will develop as we expect. New life sciences technology may not be adopted until the consistency and accuracy of such technology, method or device has been proven. As a result, the sizes of the annual total addressable market for new markets and new products are even more difficult to predict. Our product is an innovative new

product, and while we draw comparisons between the evolution and growth of the genomics market, the proteomics market may develop more slowly or differently. In addition, our Nautilus platform may not impact the field of proteomics in the same manner or degree, or within the same time frame, that NGS technologies have impacted the field of genomics, or at all. While we believe our assumptions and the data underlying our estimates of the total addressable market for our products are reasonable, these assumptions and estimates may not be correct and the conditions supporting our assumptions or estimates, or those underlying the third- party data we have used, may change at any time, thereby reducing the accuracy of our estimates. As a result, our estimates of the total addressable market for our products may be incorrect. The future growth of the market for our current and future products depends on many factors beyond our control, including recognition and acceptance of our products by the scientific community and the growth, prevalence and costs of competing products and solutions. Such recognition and acceptance may not occur in the near term, or at all. If the markets for our current and future products are smaller than estimated or do not develop as we expect, our growth may be limited and our business, financial condition and operational results of operations could be adversely affected. We are dependent on single source suppliers for some of the components and materials used in our Nautilus platform, and the loss of any of these suppliers could harm our business. We rely on single source suppliers for certain components and materials used in our Nautilus platform, including our click- reagent modified oligos, glass or silicon that is nano- fabricated into our biochips and high- speed stage used in the instrument. The loss of any of these single source suppliers would require us to expend significant time and effort to locate and qualify an alternative source of supply for these components. Though we do not currently have contracts for third parties to provide manufacturing capabilities for **each component of** our Nautilus platform **for which we expect to employ such third party manufacturers** , if we are successful in reaching the point of manufacturing our products for commercialization, we may rely on a single company for such manufacturing. Any contractual disputes between us and such manufacturer or loss of manufacturing ability by such manufacturer could similarly require significant time, effort and expense to locate and qualify an alternative source of manufacturing, which could materially harm our business. We also rely, and expect to continue to rely, on third- party manufacturers and, in many cases, single third- party manufacturers for the production of certain reagents and antibodies needed to generate the deep proteomic information at the speed and scale which we expect our Nautilus platform to perform. With respect to any antibodies or reagents that are single sourced, the loss of any suppliers would require significant time and effort to locate and qualify an alternative source of supply. Such reagents and antibodies may also become scarce, more expensive to procure, or not meet quality standards, and we may not be able to obtain favorable terms in agreements with suppliers. Given their complexity, our suppliers may not be able to provide these reagents and antibodies in a cost- effective manner or in a time frame that is consistent with our expected future needs. If our suppliers cease or interrupt production or if suppliers fail to supply materials, products or services to us for any reason, such interruption could delay development, or interrupt the commercial supply, with the potential for additional costs and lost revenue. If this were to occur, we might also need to seek alternative means to fulfill our manufacturing needs. Any such transition would require significant efforts in testing and validation and could result in delays or other issues, which could materially harm our business. The life sciences technology market is highly competitive. If we fail to compete effectively, our business and results of operation will suffer. We face significant competition in the life sciences technology market. We currently compete with technology and diagnostic companies that supply components, products, and services to customers engaged in proteomics analysis. These companies include Agilent Technologies; Becton, Dickinson and Company; Bruker Corporation; Danaher; Luminex; Olink Proteomics; Quanterix; **Standard Biotools (formerly known as** SomaLogic **)** ; Quantum- Si; and Thermo Fisher Scientific. We also compete with a number of emerging companies that are developing proteomic products and solutions. Some of our current competitors are large publicly- traded companies, or are divisions of large publicly- traded companies, and enjoy a number of competitive advantages over us, including: • greater name and brand recognition; • greater financial and human resources; • broader product lines; • larger sales forces and more established distributor networks; • substantial intellectual property portfolios; • larger and more established customer bases and relationships; and • better established, larger scale and lower cost manufacturing capabilities. We cannot assure investors that our products will compete favorably or that we will be successful in the face of increasing competition from products and technologies introduced by our existing or future competitors or by companies entering our markets or that are developed by our customers internally. In addition, we cannot assure investors that our competitors do not have or will not develop products or technologies that currently or in the future will enable them to produce competitive products with superior functionality or performance or at lower costs than ours or that are able to run comparable experiments at a lower total experiment cost. Any failure to compete effectively could materially and adversely affect our business, financial condition and operating results. Even if our Nautilus platform is commercialized and achieves broad scientific and market acceptance, if we fail to improve it or introduce compelling new products, our revenue and our prospects could be harmed. The life sciences industry is characterized by rapid and significant technological changes, frequent new product introductions and enhancements and evolving industry standards. Even if we are able to commercialize our Nautilus platform and achieve broad scientific and market acceptance, our ability to attract new customers and increase revenue from existing customers will depend in large part on our ability to enhance and improve our Nautilus platform and to introduce compelling new products. The success of any enhancement to our Nautilus platform or introduction of new products depends on several factors, including timely completion and delivery, competitive pricing, adequate quality testing, integration with existing technologies, freedom from intellectual property encumbrance, appropriately timed and staged introduction and overall market acceptance. Any new product or enhancement to our Nautilus platform that we develop may not be introduced in a timely or cost- effective manner, may contain defects, errors, vulnerabilities or bugs, or may not achieve the market acceptance necessary to generate significant revenue. The typical development cycle of new life sciences products can be lengthy and complicated, and may require new scientific discoveries or advancements, considerable resources and complex technology and engineering. Such developments may involve external suppliers and service providers, making the management of development projects complex and subject to

risks and uncertainties regarding timing, timely delivery of required components or services and satisfactory technical performance of such components or assembled products. If we do not achieve the required technical specifications or successfully manage new product development processes, or if development work is not performed according to schedule, then such new technologies or products may be adversely impacted. If we are unable to successfully develop new products, enhance our proteomics product platform to meet customer requirements, compete with alternative products, or otherwise gain and maintain market acceptance, our business, results of operations and financial condition could be harmed. We rely on third parties for development of certain aspects of the Nautilus platform, and any failure of these third parties to perform their respective obligations in a timely manner or to our specifications could negatively impact our timelines, costs or product performance. We are engaged with a number of third party collaborators who assist us in co- development of certain aspects of the Nautilus platform, including, for example, certain affinity reagents and array chip substrates. Our agreements with these third party collaborators include obligations for these third parties to deliver certain aspects of technology to be used in the Nautilus platform in accordance with certain defined timelines, in accordance with defined specifications, and in accordance with certain cost limitations. We have also sought to include redundancy and contingency planning with respect to the efforts of our third party collaborators where practicable. Despite our contractual assurances and contingency planning, it is possible that one or more of our third party collaborators may fail to deliver their respective technologies to us on time or in accordance with our specifications, and such failure could negatively impact the timing of the commercialization of the Nautilus platform, its performance, or its cost. Our business will depend significantly on research and development spending by pharmaceutical companies as well as by academic and other research institutions. Any reduction in spending could limit demand for our products and adversely affect our business, results of operations, financial condition and prospects. We expect that our revenue in the foreseeable future will be derived primarily from sales of our Nautilus platform to biotechnology companies and life science laboratories worldwide, and to a lesser extent, academic institutions and non- profit organizations. Our success will depend upon demand for and use of our products. Accordingly, the spending policies of these customers could have a significant effect on the demand for our technology. These policies may be based on a wide variety of factors, including the resources available to make purchases, the spending priorities among various types of equipment, policies regarding spending during recessionary periods and changes in the political climate. In addition, academic, governmental and other research institutions that fund research and development activities may be subject to stringent budgetary constraints that could result in spending reductions, reduced allocations or budget cutbacks, which could jeopardize the ability of these customers to purchase our products. Our operating results may fluctuate substantially due to reductions and delays in research and development expenditures by these customers. For example, reductions in capital expenditures by these customers may result in lower than expected system sales and, similarly, reductions in operating expenditures by these customers could result in lower than expected sales of our Nautilus platform. These reductions and delays may result from factors that are not within our control, such as: • decreases in government funding of research and development; • changes in economic conditions, including recessionary effects ~~and ,~~ inflationary pressures **and instability in the global financial markets, including with respect to any future financial institution failures** ; • changes in government programs that provide funding to research institutions and companies, including changes in the amount of funds allocated to different areas of research or changes that have the effect of increasing the length of time of the funding process; • changes in the regulatory environment affecting life science and Ag- Bio companies engaged in research and commercial activities; • differences in budget cycles across various geographies and industries; • market- driven pressures on companies to consolidate operations and reduce costs; • mergers and acquisitions in the life science and Ag- Bio industries; and • other factors affecting research and development spending. Any decrease in our customers' budgets or expenditures or in the size, scope or frequency of capital or operating expenditures as a result of the foregoing or other factors could materially and adversely affect our business, results of operations, financial condition, and prospects. Our operating results 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 or any guidance we may provide. Our quarterly and annual operating results may fluctuate significantly, which makes it difficult for us to predict our future operating results. In the near term, as we devote substantially all of our resources towards the development and anticipated future commercialization of our Nautilus platform, specific factors that may result in fluctuations include, without limitation: • the timing and cost of, and level of investment in, research and development and commercialization activities relating to our Nautilus platform; • our ability to successfully establish and successfully maintain appropriate collaborations and derive revenue from those collaborations; **• the impact that economic inflation may have on our costs for manufacturing our products; • any litigation or governmental investigations involving us, our industry or both;** and • our ability to successfully develop and commercialize our Nautilus platform on our anticipated timeline. As we transition from a company with a focus on research and development to a company capable of supporting manufacturing, these fluctuations may also occur due to a variety of other factors, many of which are outside of our control, including, but not limited to: • the level of demand for any products we are able to commercialize, particularly our Nautilus platform, which may vary significantly from period to period; • our ability to drive adoption of our Nautilus platform in our target markets and our ability to expand into any future target markets; • the ~~impact that economic inflation may have on our costs for manufacturing our products; • the~~ prices at which we will be able to sell our Nautilus platform; • the volume and mix of our sales between consumables, instruments and software, or changes in the manufacturing or sales costs related to our products; • the timing and amount of expenditures that we may incur to develop, commercialize or acquire additional products and technologies or for other purposes, such as the expansion of our facilities; • changes in governmental funding of life sciences research and development or changes that impact budgets and budget cycles; • seasonal spending patterns of our customers; • the timing of when we recognize any revenue; • future accounting pronouncements or changes in our accounting policies; • ~~the outcome of any future litigation or governmental investigations involving us, our industry or both; •~~ higher than anticipated service, replacement and warranty costs; • the impact of the

COVID- 19 pandemic, the conflicts in Eastern Europe **and the Middle East, recent and any potential future financial institution failures** , and other national and global events on the economy, investment in life sciences and research industries, our business operations, and resources and operations of our customers, suppliers, and distributors; and • general industry, economic and market conditions and other factors, including factors unrelated to our operating performance or the operating performance of our competitors. The cumulative effects of the 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. This variability and unpredictability could also result in us failing to meet the expectations of industry or financial analysts or investors for any period. If we are unable to commercialize products or generate revenue, or if our operating results fall below the expectations of analysts or investors or below any guidance we may provide, or if the guidance we provide is below the expectations of analysts or investors, it could cause the market price of our Common Stock to decline. We have a limited operating history, which may make it difficult to evaluate our current business and the prospects for our future viability, and to predict our future performance. We are a life sciences technology company with a limited operating history. We have not completed development of our Nautilus platform or any other products and have not generated any revenue to date. Our operations to date have been limited to developing our Nautilus platform. Our prospects must be considered in light of the uncertainties, risks, expenses, and difficulties frequently encountered by companies in their early stages of operations. Consequently, predictions about our future success or viability are highly uncertain and may not be as accurate as they could be if we had a longer operating history or a company history of successfully developing and commercializing products. In addition, as a business with a limited operating history, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown obstacles. We will eventually need to transition from a company with a focus on research and development to a company capable of supporting manufacturing and commercial activities as well, and we may not be successful in such a transition. 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 emerging and 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 and results of operations could be adversely affected. Based on our current plans, we believe that our available resources and existing cash, cash equivalents and short- term investments, will be sufficient to meet our anticipated cash requirements for at least 12 months from the date of this Annual Report on Form 10- K. If our available resources and existing cash and cash equivalents and short- term investments are insufficient to satisfy our liquidity requirements, including because of the realization of other risks described in this Annual Report on Form 10- K, we may be required to raise additional capital prior to such time through issuances of equity or convertible debt securities, enter into a credit facility or another form of third- party funding or seek other debt financing. We ~~may consider raising~~ **expect that we will need to raise** additional capital in the future to expand our business, to pursue strategic investments, to take advantage of financing or acquisition opportunities or for other reasons, including: • funding development and marketing efforts of our Nautilus platform or any other future products; • increasing our sales and marketing and other commercialization efforts to drive market adoption of our Nautilus platform, once commercialized; • expanding our technologies into additional markets; • preparing, filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights; • acquiring, licensing or defending against third party intellectual property rights; • acquiring or investing in complementary technologies, businesses or assets; and • financing capital expenditures and general and administrative expenses. Our present and future funding requirements will depend on many factors, including: • delays in execution of our development plans; • the scope and timing of our investment in our sales, marketing, and distribution capabilities; • changes we may make to our business that affect ongoing operating expenses; • the costs of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights; • changes we may make in our business or commercialization strategy; • changes we may make in our research and development spending plans; • the effect of competing technological and market developments; • our need to implement additional infrastructure and internal systems; • the impact of the COVID- 19 pandemic **, the conflicts in Eastern Europe and the Middle East** ; and • other items affecting our forecasted level of expenditures and use of cash resources including potential acquisitions. The various ways we could raise additional capital carry potential risks. If we raise funds by issuing equity securities, dilution to our stockholders could result. If we raise funds by issuing debt securities, those debt securities could have rights, preferences and privileges senior to those of holders of our Common Stock. The terms of debt securities issued or borrowings pursuant to a credit agreement could impose significant restrictions on our operations. If we raise funds through collaborations or licensing arrangements, we might be required to relinquish significant rights to our technologies or products or grant licenses on terms that are not favorable to us. We may be unable to raise additional funds or to enter into such agreements or arrangements on favorable terms, or at all. Our ability to raise additional funds may be adversely impacted by potential worsening global economic conditions and the recent disruptions to, and volatility in, the credit and financial markets in the United States and worldwide resulting from the ongoing COVID - 19 pandemic, the conflicts in Eastern Europe **and the Middle East** , and otherwise. 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 prospects **. In addition, actual events involving limited liquidity or other adverse developments that affect financial institutions, transactional counterparties or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market- wide liquidity problems. For example, the collapse of Silicon Valley Bank and other financial institutions in March 2023 has caused and could continue to cause instability in the global financial markets.**

Although we assess our banking relationships as we believe necessary or appropriate, our access to funding sources and other credit arrangements in amounts adequate to finance or capitalize our current and projected future business operations could be significantly impaired by factors that affect us, the financial institutions with which we have arrangements directly, or the financial services industry or economy in general. These factors could include, among others, events such as liquidity constraints or failures, disruptions or instability in the financial services industry or financial markets, or concerns or negative expectations about the prospects for companies in the financial services industry. These factors could involve financial institutions or financial services industry companies with which we have financial or business relationships, but could also include factors involving financial markets or the financial services industry generally. Credit and banking costs, generally, may also be adversely impacted by these factors, resulting in higher costs for the Company. For example, as part of our efforts to diversify our banking and credit arrangements following the collapse of Silicon Valley Bank, we have incurred higher banking related costs. In addition, investor concerns regarding the U. S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for us to acquire financing on acceptable terms or at all . If we are unable to obtain and maintain sufficient intellectual property protection for our products and technology, or if the scope of our intellectual property protection obtained is not sufficiently broad, competitors could develop and commercialize products similar or identical to ours, and our ability to successfully commercialize our products may be impaired. Our commercial success depends in part on our ability to protect our intellectual property and proprietary technologies. We rely on patent protection, where appropriate and available, as well as a combination of copyright, trade secret and trademark laws, and nondisclosure, confidentiality and other contractual restrictions to protect our proprietary technology. However, these legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep any competitive advantage. If we fail to obtain, maintain and protect our intellectual property, third parties may be able to compete more effectively against us. In addition, we may incur substantial costs related to litigation or other patent proceedings 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, financial condition, results of operations and prospects. Both the patent application process and the process of managing patent and other intellectual property disputes are generally unpredictable, time- consuming and expensive. Our success depends in large part on our and any future licensor' s ability to obtain and maintain protection of the intellectual property we may own or license, whether solely or jointly, particularly patents, in the United States and other countries with respect to our products and technologies. We apply for patents to protect our products, technologies and commercial activities, as we deem appropriate. However, obtaining and enforcing patents is costly, time- consuming and complex, and we may fail to apply for patents on important products and technologies in a timely fashion or at all, or we may fail to apply for patents in potentially relevant jurisdictions. 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 in all jurisdictions. 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. Moreover, we may not develop additional proprietary products, methods and technologies that are patentable. We may not have the right to control the preparation, filing and prosecution of patent applications, or to maintain the rights to patents which may be licensed from or to third parties. In connection with any future licensing arrangements with third parties, these patents and applications may not be prosecuted and enforced by such third parties in a manner consistent with the best interests of our business. In addition, the patent position of life sciences technology companies generally is highly uncertain, involves complex legal and factual questions, and has been the subject of much litigation in recent years. Changes in either the patent laws or in interpretations of patent laws in the United States or other jurisdictions may diminish the value of our intellectual property. As a result, the issuance, scope, validity, enforceability, and commercial value of our patent rights are highly uncertain. 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 issued, the patents 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, narrowed or invalidated by third parties. We cannot predict the breadth of claims that may be allowed or enforced in our patents or in third- party patents. It is possible that third parties will design around our current or future patents such that we cannot prevent such third parties from using similar technologies and commercializing similar products to compete with us. Some of our owned or any future licensed patents or patent applications may be challenged at a future point in time and 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 diminished or lost rights, for example, due to narrowing, unenforceability or invalidity of such patents and increased competition to our business. The outcome of patent litigation or other proceedings is generally 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, or, regardless of success, may take substantial time and result in substantial cost, and may divert our efforts and attention from other aspects of our business. Any of the foregoing events could have a material adverse effect on our business, financial condition and results of operations. The U. S. law relating to the patentability of certain inventions in the life sciences technology industry is uncertain and rapidly changing, which may adversely impact our existing patents or our ability to obtain patents in the future. Changes in either the patent laws or interpretation of the patent laws in the United States or in other jurisdictions could increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of issued patents. In the last decade, the US Congress made sweeping changes to patent law in passing the America Invents Act (AIA). These changes include, among others, allowing third- party submission of prior art to the United States

Patent and Trademark Office (USPTO) during patent prosecution and additional procedures to challenge the validity of a patent by USPTO administered post- grant proceedings, including post- grant review, inter partes review and derivation proceedings. The changes brought about by the AIA have not been extensively tested, and therefore increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Various courts, including the U. S. Supreme Court, have recently rendered decisions that impact the scope of patentability of certain inventions or discoveries relating to our technology and commercial goals. Specifically, these decisions have substantially increased the probability that patent claims will be ruled patent ineligible for reciting a natural phenomenon, law of nature or abstract idea. Furthermore, in view of these decisions, since December 2014, the USPTO has published and continues to publish revised guidelines for patent examiners to apply when examining claims for patent eligibility. Patent claims relating to software algorithms, biologically- derived reagents, methods for analyzing biological systems and other subject matters that underlies our technology and commercial goals are impacted by these changes. Actions taken by the U. S. Congress, federal courts and USPTO have from time to time narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. Similar changes have been made by authorities in other jurisdictions. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, such changes create uncertainty with respect to the value of patents, once obtained. Depending on decisions by authorities in various jurisdictions, the laws and regulations governing patents could change in unpredictable ways that may have a material adverse effect on our ability to obtain new patents and to defend and enforce our existing patents and patents that we might obtain in the future. 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 governments or patent offices around the world. From time to time, the U. S. Supreme Court, other federal courts, the U. S. Congress or the USPTO may change the standards of patentability, scope and validity of patents within the life sciences technology and any such changes, or any similar adverse changes in the patent laws of other jurisdictions, could have a negative impact on our business, financial condition, prospects and results of operations. We may not be able to protect our intellectual property rights throughout the world. Filing, prosecuting and defending patents on our Nautilus platform 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. 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 and any future licensor may encounter difficulties in protecting and defending such rights in foreign jurisdictions. Consequently, we and any future licensor 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 or any future licensor' s inventions in and into the United States or other jurisdictions. Competitors and other third parties may be able to use our technologies in jurisdictions where we have not obtained patent protection to develop our own products and technologies 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. We and any future licensor' s 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, 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. The legal systems in certain countries may also favor state- sponsored companies or companies headquartered in particular jurisdictions over our patents and other intellectual property protection. The absence of harmonized intellectual property protection laws and effective enforcement makes it difficult to ensure consistent respect for patent, trade secret, and other intellectual property rights on a worldwide basis. As a result, it is possible that we will not be able to enforce our rights against third parties that misappropriate our proprietary technology in those countries. Proceedings to enforce our or any future licensor' s patent rights in foreign jurisdictions could result in substantial cost and divert our efforts and attention from other aspects of our business, could put our and any future licensor' s patents at risk of being invalidated or interpreted narrowly and our and any future licensor' s patent applications at risk of not issuing, and could provoke third parties to assert claims against us. We and any future licensor may not prevail in any lawsuits that we and any future licensor initiates, or that are initiated against us or any future licensor, 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 enforcement of intellectual property. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license. Any of the foregoing events could have a material adverse effect on our business, financial condition, results of operations and prospects. We may become involved in lawsuits to defend against third- party claims of infringement, misappropriation or other violations of intellectual property or to protect or enforce our intellectual property, any of which could be expensive, time consuming and unsuccessful, and may prevent or delay our development and commercialization efforts. Litigation may be necessary for us to enforce our patent and proprietary rights and / or to determine the scope, coverage and validity of others' proprietary rights. Litigation on these matters has been prevalent in our industry and we expect that this will continue. To determine the priority of inventions, we may have to initiate and participate in interference proceedings declared by the USPTO that could result in substantial legal fees and could substantially affect the scope of our patent protection. Also, our intellectual property may be subject to significant administrative and

litigation proceedings such as invalidity, unenforceability, re- examination and opposition proceedings against our patents. The outcome of any litigation or other proceeding is inherently uncertain and might not be favorable to us, and we might not be able to obtain licenses to technology that we require or a competitor may have already obtained an exclusive license to such technology in all fields. Even if such licenses are obtainable, they may not be available at a reasonable cost. We could therefore incur substantial costs related to royalty payments for licenses obtained from third parties, which could negatively affect our gross margins. In some cases, the outcome of litigation may be to enjoin us from commercializing a patent protected technology. We could encounter delays in product introductions, or interruptions in product sales, as we develop alternative methods or products. In addition, if we resort to legal proceedings to enforce our intellectual property rights or to determine the validity, scope and coverage of the intellectual property or other proprietary rights of others, the proceedings could be burdensome and expensive, even if we were to prevail. Our commercial success may depend in part on our non- infringement of the patents or proprietary rights of third parties. Numerous significant intellectual property issues have been litigated, and will likely continue to be litigated, between existing and new participants in the life sciences market and competitors may assert that our products infringe their intellectual property rights as part of a business strategy to impede our successful entry into those markets. Third parties may assert that we are employing our proprietary technology without authorization. We are aware that there are issued third party patents that are in the general proteomics field. Specifically, we are aware of various U. S. patents and U. S. non- provisional applications assigned to Washington University and the National Institute of Health, with claims directed to characterizing and identifying a polypeptide strand. In addition, our competitors and others may have patents or may in the future obtain patents and may claim that use of our products infringes these patents. **For example, we have received and may from time to time in the future receive letters, notices or " invitations to license " related to the use of intellectual property in our products or services, or may become the subject of claims that our products and business operations infringe or violate the intellectual property rights of others. For example, on December 14, 2023, we filed suit in the United States District Court for the Northern District of California against Somalogic, Inc. (Somalogic) which recently merged with and is now part of " Standard Biotools, Inc. ", and the California Institute of Technology. This suit seeks declaratory judgment that we do not infringe any claims of US Patent No. 7, 842, 793 related to DNA origami structures (the ' 793 Patent), which Somalogic has allegedly licensed from the California Institute of Technology through its purchase of Palamedrix, Inc. We took this action in response to Somalogic' s allegations that our proteome analysis platform infringes the claims of the ' 793 Patent. Notwithstanding our belief as to the strength of our claims, litigation generally, and patent litigation in particular, can be unpredictable. If we do not succeed in establishing that our products or services do not infringe the claims of the ' 793 Patent, it could negatively impact our business by imposing royalties on our products or services, requiring significant redevelopment of certain aspects of our products and / or preventing us from making, using or selling our products or services. Even if we were to prevail in this or any future litigation, litigation could also result in substantial costs and diversion of resources and could have a material adverse effect on our business, operating results or financial condition.** As we move into new markets and applications for our products, incumbent participants in such markets may assert their patents and other proprietary rights against us **, alleging that our products or services infringe, misappropriate or otherwise violate their intellectual property rights, including patents and trade secrets,** as a means of slowing or preventing our entry into such markets, or as a means to extract substantial license and royalty payments from us **. The defense of these matters can be time consuming, costly to defend in litigation, divert management' s attention and resources, damage our reputation and brand and cause us to incur significant expenses or make substantial payments** . Issued patents covering our products could be found invalid or unenforceable if challenged. Our owned and any future licensed patents and patent applications may be subject to validity, enforceability and priority disputes. The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability. Some of our patents or patent applications may be challenged at a future point in time in opposition, derivation, reexamination, inter partes review, post- grant review or interference or other similar proceedings. 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 have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, if we or any future licensor initiates legal proceedings against a third party to enforce a patent covering our products, the defendant could counterclaim that such patent covering our products, as applicable, is invalid and / or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are commonplace. There are numerous grounds upon which a third party can assert invalidity or unenforceability of a patent. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including, but not limited to, lack of novelty, obviousness or non- enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the relevant patent office, or made a misleading statement, during prosecution. Third parties may also raise similar claims before administrative bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include ex parte re- examination, inter partes review, post- grant review, derivation and equivalent proceedings in non- U. S. jurisdictions, such as opposition proceedings. Such proceedings could result in revocation of or amendment to our patents in such a way that they no longer cover and protect our products. With respect to the validity of our patents, for example, we cannot be certain that there is no invalidating prior art of which us, any future licensor, our patent counsel and the patent examiner were unaware during prosecution. The outcome following legal assertions of invalidity and unenforceability during patent litigation is unpredictable. If a defendant or other third party were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the patent protection for our products and technologies, which could have a material adverse effect on our business, financial condition, results of operations and prospects. 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 intellectual property or 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, or other similar proceedings in non- U. S. jurisdictions, that could result in substantial cost to us and the loss of valuable patent protection. 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 in the last decade allow for various post- grant opposition proceedings that have not been extensively tested, and their outcome is therefore uncertain. Furthermore, if third parties bring these proceedings against our patents, regardless of the merit of such proceedings and regardless of whether we are successful, we could experience significant costs and our management may be distracted. Any of the foregoing events could have a material adverse effect on our business, financial condition, results of operations and prospects. 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 Nautilus platform, and to maintain our competitive position. However, trade secrets and know- how can be difficult to protect. In particular, we anticipate that with respect to our technologies, these trade secrets and know how will over time be disseminated within the industry through independent development, the publication of journal articles describing the methodology, and the movement of personnel between academic and industry scientific positions. 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 or other third parties 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, business, financial condition, results of operations and prospects. 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 wrongfully obtained and was using our trade secrets, it would be expensive and time- consuming, it could distract our personnel, and the outcome would be unpredictable. In addition, courts outside the United States may be less willing to protect trade secrets. 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. Competitors or third parties could purchase our products and attempt to replicate some or all of the competitive advantages we derive from our development efforts, design around our protected technology, develop their own competitive technologies that fall outside the scope of our intellectual property rights or independently develop our technologies without reference to our trade secrets. If any of our trade secrets were to be disclosed to or independently discovered by a competitor or other third party, it could materially and adversely affect our business, financial condition, results of operations and prospects. We may be subject to claims challenging the inventorship of our patents and other intellectual property. We or any future licensor may be subject to claims that former employees, collaborators or other third parties have an interest in our patents, trade secrets or other intellectual property. For example, us or any future licensor may have inventorship disputes arise from conflicting obligations of employees, consultants or others who are involved in developing our products. In addition, counterparties to our consulting, software development, and other agreements may assert that they have an ownership interest in intellectual property developed under such arrangements. Litigation may be necessary to defend against claims challenging ownership or inventorship of our or any future licensor' s ownership of our patents, trade secrets or other intellectual property. If we or any future licensor fails 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 Nautilus platform, including our software, workflows, consumables and reagent kits. In such an event, we may be required to obtain licenses from third parties and such licenses may not be available on commercially reasonable terms or at all or may be non- exclusive. If we are unable to obtain and maintain such licenses, we may need to cease the development, manufacture or commercialization of our products and technologies. 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 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. 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. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively, and our business, financial condition, results of operations and prospects may be adversely affected. Our efforts to enforce or protect our proprietary rights related to trademarks, domain names, copyrights or other intellectual property may be ineffective and could result in substantial costs and diversion of resources. Any of the foregoing events could have a material adverse effect on our business, financial condition and results of operations. Patent terms may be inadequate to protect our competitive position on our Nautilus platform 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. While extensions may be available, the life of a patent, and the protection it affords, is limited. In the United States, a patent' s term may, in certain cases, be lengthened by patent term adjustment, which compensates a patentee for administrative delays by the USPTO in examining and granting a patent, or may be shortened if a patent is terminally disclaimed over a commonly owned patent or a patent naming a common inventor and having an earlier expiration date. 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, which could have a material adverse effect on our business, financial condition and results of operations. 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. 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. In certain circumstances, we may rely on any future licensor to pay these fees due to the U. S. and non- U. S. patent agencies and to take the necessary action to comply with these requirements with respect to any future licensed intellectual property. 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, 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 trade secrets of our former employers. We have employed and expect to employ individuals who were previously employed at universities or other companies, including, for example, 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. Any such litigation or the threat thereof may adversely affect our ability to hire employees or contract with advisors, contractors and consultants. 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. This type of litigation or proceeding could substantially increase our operating losses and reduce our resources available for development activities. Some of our competitors may be able to sustain the costs of this type of litigation or proceedings more effectively than we can because of their substantially greater financial resources. 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. Furthermore, individuals executing agreements with us may have pre- existing or competing obligations to a third party, such as an academic institution, and thus an agreement with us may be ineffective in perfecting ownership of inventions developed by that individual, which could have a material adverse effect on our business, financial condition, results of operations, and prospects. Furthermore, we or any future licensor may in the future be subject to claims by former or current employees, consultants or other third parties asserting an ownership right or inventorship in our owned, or any future licensed, patents or patent applications. For example, our Founder and Chief Scientist is employed by Stanford University

and a member of the Stanford Cancer Institute. Stanford University and the Stanford Cancer Institute may assert an ownership right in any of our owned patents or patent applications. We may have other consultants that are or have been employed by third parties, which may assert an ownership right in any of our owned patents or patent applications. In addition, we are aware that we might not be able to obtain ownership of or seek a license to any intellectual property developed during a research collaboration with a third party. An adverse determination in any such proceeding may result in loss of exclusivity or freedom to operate or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar technology, without payment to us, or could limit the duration of the patent protection covering our technology and products. Such challenges may also result in our inability to develop, manufacture or commercialize our products without infringing third- party patent rights. Any of the foregoing could harm our business, financial condition, results of operations and prospects. If we cannot license rights to use technologies on reasonable terms, we may not be able to commercialize new products in the future. We may identify third- party technology that we may need to license or acquire in order to develop or commercialize our products or technologies, including our Nautilus platform. However, we may be unable to secure such licenses or acquisitions. 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, or greater development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We also may be unable to license or acquire third- party intellectual property rights on terms that would allow us to make an appropriate return on our investment or at all. In return for the use of a third party' s technology, we may agree to pay the licensor royalties based on sales of our products or services. Royalties are a component of cost of products or technologies and affect the margins on our products. We may also need to negotiate licenses to patents or patent applications before or after introducing a commercial product. We may not be able to obtain necessary licenses to patents or patent applications, and our business may suffer if we are unable to enter into the necessary licenses on acceptable terms or at all, if any necessary licenses are subsequently terminated, if the licensor fails to abide by the terms of the license or fails to prevent infringement by third parties, or if the licensed intellectual property rights are found to be invalid or unenforceable. Our use of open source software and failure to comply with the terms of the underlying open source software licenses could impose limitations on our ability to commercialize our products and provide third parties to our proprietary software. Our products utilize open source software that contain modules licensed for use from third- party authors under open source licenses. In particular, some of the software may be provided under license arrangements that allow use of the software for research or other noncommercial purposes. Use and distribution of open source software may entail greater risks than use of third- party commercial software, as open source software licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code. Some open source software licenses contain requirements that the licensee make its source code publicly available if the licensee creates modifications or derivative works using the open source software, depending on the type of open source software the licensee uses and how the licensee uses it. If we combine our proprietary software with open source software in a certain manner, we could, under certain open source software licenses, be required to release the source code of our proprietary software to the public for free. This would allow our competitors and other third parties to create similar products with less development effort and time and ultimately could result in a loss of our product sales and revenue, which could have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, some companies that use third- party open source software have faced claims challenging their use of such open source software and their compliance with the terms of the applicable open source license. We may be subject to suits by third parties claiming ownership of what we believe to be open source software or claiming non- compliance with the applicable open source licensing terms. Use of open source software may also present additional security risks because the public availability of such software may make it easier for hackers and other third parties to compromise or attempt to compromise our technology platform and systems. Although we review and monitors our use of open source software to avoid subjecting our proprietary software to conditions we do not intend, the terms of many open source software licenses have not been interpreted by United States courts, and there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to commercialize our products and proprietary software. Moreover, we cannot assure investors that our processes for monitoring and controlling our use of open source software in our products will be effective. If we are held to have breached the terms of an open source software license, we could be subject to damages, required to seek licenses from third parties to continue offering our products on terms that are not economically feasible, to re- engineer our products, to discontinue the sale of our products if re- engineering could not be accomplished on a timely basis, or to make generally available, in source code form, our proprietary code, any of which could adversely affect our business, financial condition, results of operations and prospects. Intellectual property rights do not necessarily address all potential threats. The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations and may not adequately protect our business or permit us to maintain our competitive advantage. For example: • others may be able to make products that are similar to products and technologies we may develop or may be able to utilize similar technologies that are not covered by the claims of the patents that we own or licenses now or in the future; • we, or any future licensor (s), might not have been the first to make the inventions covered by the issued patent or pending patent application that we license or may own in the future; • we, or any future licensor (s), might not have been the first to file patent applications covering certain of our or their inventions; • others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing, misappropriating or otherwise violating our owned or future licensed intellectual property rights; • it is possible that our pending patent applications or those that we may license or own in the future will not lead to issued patents; • issued patents that we hold rights to may be held invalid or unenforceable, including as a result of legal challenges by our competitors; • our competitors might conduct research

and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets; • we may not develop additional proprietary technologies that are patentable; • the patents of others may harm our business; and • we may choose not to file a patent for certain trade secrets or know- how, and a third party may independently derive, use, commercialize, publish or patent such intellectual property. Should any of these events occur, they could materially adversely affect our business, financial condition, results of operations and prospects. We may become involved in litigation to enforce or defend our intellectual property rights, or defend ourselves from claims that we infringe the intellectual property rights of others, which litigation could consume significant resources and management time, and in which an adverse result could result in loss of our intellectual property rights, a requirement that we pay significant damages, and could prevent us from selling our products. The life sciences industry is highly competitive, and companies in this industry routinely engage in litigation and governmental proceedings to enforce and defend the intellectual property rights that they believe they possess. We may become involved in litigation or governmental and / or administrative proceedings to enforce or defend our intellectual property rights. Additionally, we **have and** may **continue to** become involved in litigation and / or governmental or administrative proceedings to defend ourselves from claims that our products or services infringe the intellectual property rights of others, or to challenge the claimed intellectual property rights of others where we believe they may not be entitled to such rights. Such litigation and governmental proceedings are inherently unpredictable and costly, and can require significant time and attention of management. In addition to the costs and distraction of litigation, if we are unsuccessful in enforcing our intellectual property rights, or in defending our intellectual property rights from challenges of others, wit could result in our loss of our ability to exclude others from practicing aspects of our technology which could lead to greater competition for our products and services. Additionally, if we are unable to successfully defend ourselves from claims that we infringe the intellectual property rights of others and are unable to develop non- infringing alternative approaches for our products and services, we may be required to pay significant damages and ongoing royalties, or we may be prohibited from selling our products and services. Our success depends upon our ability to successfully enforce and defend our own intellectual property rights, and to defend ourselves from claims that we infringe the intellectual property rights of others. Our products could have unknown defects or errors, which may give rise to claims against us and adversely affect market adoption of our Nautilus platform. Our Nautilus platform utilizes novel and complex technology applied on a microscopic scale, using key components that are not amenable to full characterization or quality assessment using conventional techniques or instrumentation, and such systems may develop or contain undetected defects or errors. We cannot assure you that material performance problems, defects or errors will not arise, and as we increase the density and integration of our Nautilus platform, these risks may increase. We expect to provide warranties that our Nautilus platform will meet performance expectations or be free from defects. The costs incurred in correcting any defects or errors may be substantial and could adversely affect our operating margins. In manufacturing our Nautilus platform, we depend upon third parties for the supply of various components. Many of these components require a significant degree of technical expertise to produce. If our suppliers fail to produce components to specification, or if the suppliers, or we, use defective materials or workmanship in the manufacturing process, the reliability and performance of our products will be compromised. If our products contain defects, we may experience: • a failure to achieve market acceptance or expansion of our product sales; • loss of customer orders and delay in order fulfillment; • damage to our brand reputation; • increased cost of our warranty program due to product repair or replacement; • product recalls or replacements; • inability to attract new customers; • diversion of resources from our manufacturing and research and development departments into our service department; and • legal claims against us, including product liability claims, which could be costly and time consuming to defend and result in substantial damages. The occurrence of any one or more of the foregoing could negatively affect our business, financial condition and results of operations. If we are 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 proteins 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 partners to seek other partners, any of which could adversely impact our business, financial condition and results of operations. Although our products currently are not labeled or intended for any use which would subject us to regulation by the FDA or other regulatory authorities, if we elect to label and promote any of our products as clinical or medical device products, we would be subject to regulation in the future and would be required to obtain prior approval or clearance by the FDA or other regulatory authorities, which could take significant time and expense and could fail to result in FDA clearance or approval for the intended uses we believe are commercially attractive. Our products are currently labeled and promoted, and are, and in the near- future will be, sold primarily to research companies and academic and research institutions as research use only (“ RUO ”) products, and are not currently intended to be used, for clinical diagnostic tests or as medical devices. If we elect to label and market our products for use as, or in the performance of, clinical diagnostics in the United States, thereby subjecting them to FDA regulation as medical devices, we would be required to obtain premarket 510 (k) clearance or premarket approval from the FDA, unless an exception applies. We may in the future register with the FDA as a medical device manufacturer and list some of our products with the FDA pursuant to an FDA Class I listing for general purpose laboratory equipment. While this regulatory classification is exempt from certain FDA requirements, such as the need to submit a premarket notification commonly known as a 510 (k) application, and some of the requirements of the FDA’ s Quality System Regulations (the “ QSRs ”), we would be subject to

ongoing FDA " general controls, " which include compliance with FDA regulations for labeling, inspections by the FDA, complaint evaluation, corrections and removals reporting, promotional restrictions, reporting adverse events or malfunctions for our products, and general prohibitions against misbranding and adulteration. In addition, we may in the future submit 510 (k) premarket notification applications to the FDA to obtain FDA clearance of certain of our products on a selective basis. It is possible, in the event we elect to submit 510 (k) applications for certain of our products, that the FDA would take the position that a more burdensome premarket application, such as a premarket approval application (" PMA ") or a de novo application is required for some of our products. If such applications were required, greater time and investment would be required to obtain FDA approval. Even if the FDA agreed that a 510 (k) was appropriate, FDA clearance can be expensive and time consuming. It can take a significant amount of time to prepare and submit a 510 (k) application, including conducting appropriate testing on our products, and several months to years for the FDA to review a submission. Notwithstanding the effort and expense, FDA clearance or approval could be denied for some or all of our products for which we choose to market as a medical device or a clinical diagnostic device. Even if we were to seek and obtain regulatory approval or clearance, it may not be for the intended uses we request or that we believe are important or commercially attractive. There can be no assurance that future products for which we may seek premarket clearance or approval will be cleared or approved by the FDA or a comparable foreign regulatory authority on a timely basis, if at all, nor can there be assurance that labeling claims will be consistent with our anticipated claims or adequate to support continued adoption of such products. Compliance with FDA or comparable foreign regulatory authority regulations will require substantial costs, and subject us to heightened scrutiny by regulators and substantial penalties for failure to comply with such requirements or the inability to market our products. The lengthy and unpredictable premarket clearance or approval process, as well as the unpredictability of the results of any required clinical studies, may result in our failing to obtain regulatory clearance or approval to market such products, which would significantly harm our business, results of operations, reputation, and prospects. If we sought and received regulatory clearance or approval for certain of our products, we would be subject to ongoing FDA obligations and continued regulatory oversight and review, including the general controls listed above and the FDA' s QSRs for our development and manufacturing operations. In addition, we may be required to obtain a new 510 (k) clearance before we could introduce subsequent modifications or improvements to such products. We could also be subject to additional FDA post- marketing obligations for such products, any or all of which would increase our costs and divert resources away from other projects. If we sought and received regulatory clearance or approval and are not able to maintain regulatory compliance with applicable laws, we could be prohibited from marketing our products for use as, or in the performance of, clinical diagnostics and / or could be subject to enforcement actions, including warning letters and adverse publicity, fines, injunctions, and civil penalties; recall or seizure of products; operating restrictions; and criminal prosecution. In addition, we could decide to seek regulatory clearance or approval for certain of our products in countries outside of the United States. Sales of such products outside the United States will likely be subject to foreign regulatory requirements, which can vary greatly from country to country. As a result, the time required to obtain clearances or approvals outside the United States may differ from that required to obtain FDA clearance or approval and we may not be able to obtain foreign regulatory approvals on a timely basis or at all. Following Brexit, medical device products entering the U. K. market will have to comply with the regulatory requirements of the Medicines and Healthcare products Regulatory Agency (the " MHRA "), including the new UK Medical Device Regulations, which are scheduled to go into effect by July 2024 **. In July 2023, MHRA updated its guidance to reflect that the government now aims to delay implementation of the core aspects of the regulations to July 2025** . These foreign regulations and any future requirements that may be implemented by regulatory authorities will increase the difficulty of obtaining and maintaining regulatory approvals and compliance in Europe in the future. In addition, the FDA regulates exports of medical devices. Failure to comply with these regulatory requirements or obtain and maintain required approvals, clearances or certifications could impair our ability to commercialize our products for diagnostic use outside of the United States. Our products could become subject to government regulation as medical devices by the FDA and other regulatory agencies even if we do not elect to seek regulatory clearance or approval to market our products for diagnostic purposes, which would adversely impact our ability to market and sell our products and harm our business. If our products become subject to FDA regulation, the regulatory clearance or approval and the maintenance of continued and post- market regulatory compliance for such products will be expensive, time- consuming, and uncertain both in timing and in outcome. We do not currently expect our Nautilus platform to be subject to the clearance or approval of the FDA, as it is not intended to be used for the diagnosis, treatment or prevention of disease. However, as we expand our product line and the applications and uses of our current or products into new fields, certain of our future products could become subject to regulation by the FDA, or comparable international agencies, including requirements for regulatory clearance or approval of such products before they can be marketed. Also, even if our products are labeled, promoted, and intended as RUO, the FDA or comparable agencies of other countries could disagree with our conclusion that our products are intended for research use only or deem our sales, marketing and promotional efforts as being inconsistent with RUO products. For example, our customers may independently elect to use our RUO labeled products in their own laboratory developed tests (" LDTs ") for clinical diagnostic use. While the FDA has traditionally exercised enforcement discretion with LDTs, the FDA could take the view that our sale of our RUO labeled products were made with the knowledge that the products will be used as medical devices, and could therefore subject our products to government regulation, and the regulatory clearance or approval and maintenance process for such products may be uncertain, expensive, and time- consuming. Regulatory requirements related to marketing, selling, and distribution of RUO products could change or be uncertain, even if clinical uses of our RUO products by our customers were done without our consent. If the FDA or other regulatory authorities assert that any of our RUO products are subject to regulatory clearance or approval, our business, financial condition, or results of operations could be adversely affected. The FDA has historically exercised enforcement discretion in not enforcing the medical device regulations against laboratories offering LDTs. ~~In August 2020, as part of the Trump Administration' s efforts to combat COVID- 19 and consistent with the President' s direction in~~

~~Executive Orders 13771 and 13924, the Department of Health and Human Services (the " HHS ") announced rescission of guidance and other informal issuances of the~~ FDA **recently** ~~regarding premarket review of LDT absent notice- and- comment rulemaking, stating that, absent notice- and- comment rulemaking, those seeking approval or clearance of, or an emergency use authorization, for an LDT may nonetheless voluntarily submit a premarket approval application, premarket notification or an Emergency Use Authorization request, respectively, but are not required to do so. In November 2021, HHS under the Biden administration~~ issued a ~~statement~~ **proposed rule** that **, if finalized, will amend** ~~withdrew the August 2020 policy announcement stating that HHS does not have a policy on LDTs that is separate from~~ FDA' s **regulations** ~~longstanding approach. Legislative and administrative proposals~~ to **make explicit that in vitro diagnostis (" IVDs ") are devices under the Federal Food, Drug, amend~~ -- **and Cosmetic Act, including when** the **manufacturer** ~~FDA' s oversight~~ of **the IVD is a laboratory and will phase out its enforcement discretion for** LDTs ~~have been introduced in recent years, including the Verifying Accurate Leading- edge IVCT Development Act of 2021 (VALID Act). In September 2022, Congress passed the FDA user- fee reauthorization legislation without the substantive FDA policy riders, including the VALID Act, but Congress may revisit the policy riders and enact other FDA programmatic reforms in the future~~ . It is unclear how ~~such action~~ **this proposed rule, if finalized,** as well as future legislation by **the** ~~federal and state governments~~ - **government** ~~and changes in FDA regulation~~ will impact the industry, including our business and that of our customers. Any restrictions on LDTs by the FDA, ~~HHS,~~ Congress, or ~~state~~ regulatory authorities may decrease the demand for our products. The adoption of new restrictions on RUO products, whether by the FDA or Congress, could adversely affect demand for our specialized reagents and instruments. Further, we could be required to obtain premarket clearance or approval before we can sell our products to certain customers. Further, sales of devices for diagnostic purposes may subject us to additional healthcare regulation and enforcement by the applicable government agencies. Such laws include, without limitation, state and federal anti- kickback or anti- referral laws, healthcare fraud and abuse laws, false claims laws, privacy and security laws, the Physician Payments Sunshine Act and related transparency and manufacturer reporting laws, and other laws and regulations applicable to medical device manufacturers. If our operations are found to be in violation of any applicable FDA or healthcare laws and regulations, we may be subject to penalties, monetary damages, disgorgement, imprisonment, the curtailment or restructuring of our operations, loss of eligibility to obtain clearance or approvals from the FDA, fees from regulators, fines, significant settlements or judgments, or exclusion from participation in government contracting, healthcare reimbursement or other government programs, including Medicare and Medicaid, or other restrictions on our operations, any of which could adversely impact our financial results. Any action against us for an alleged or suspected violation by a private party or governmental agency could cause us to incur significant legal expenses, adversely impact our reputation, and could divert our management' s attention from the operation of our business, even if our defense is successful. In addition, achieving and sustaining compliance with applicable laws and regulations may be costly to us in terms of money, time and resources. Additionally, on November 25, 2013, the FDA issued Final Guidance " Distribution of In Vitro Diagnostic Products Labeled for Research Use Only. " This guidance emphasizes that the FDA will review the totality of the circumstances when it comes to evaluating whether equipment and testing components are properly labeled as RUO. This guidance states that merely including a labeling statement that the product is for research purposes only will not necessarily render the device exempt from the FDA' s clearance, approval, and other regulatory requirements if the circumstances surrounding the distribution, marketing and promotional practices indicate that the manufacturer knows its products are, or intends for its products to be, used for clinical diagnostic purposes. These circumstances may include written or verbal sales and marketing claims or links to articles regarding a product' s performance in clinical applications and a manufacturer' s provision of technical support for clinical applications. Even if the FDA does not modify its policy of enforcement discretion, whether due to changes in FDA policy or legislative action, the FDA may disagree with the marketing of our current products in the United States. We may also be required to conduct clinical studies to support our currently marketed products or planned product launches. If we are required to conduct such clinical trials or to obtain regulatory authorization, delays in the commencement of our product launches or our changes to our current marketing strategy could significantly increase our costs and delay our commercialization plans, which could harm our financial prospects. We are currently subject to, and may in the future become subject to additional, U. S. federal and state laws and regulations imposing obligations on how we collect, store and processes 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 future customer base, and thereby decrease our revenue. In the ordinary course of our business, we currently, and, in the future, will, collect, store, transfer, use or process sensitive data, including personally identifiable information of employees, and intellectual property and proprietary business information owned or controlled by us and other parties. The secure processing, storage, maintenance, and transmission of this critical information are vital to our operations and business strategy. 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, 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, 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 (the " CCPA "), which increases 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 November 2020, California passed the California Privacy Rights Act (the " CPRA "), which ~~amends~~ **amended** and ~~expands~~ **expanded** the CCPA ~~. Most substantive provisions in CPRA are effective~~ as of January 1, 2023. Although the CCPA includes exemptions for certain clinical trial data, the law may increase our compliance costs and potential liability with respect to other personal information we collect about California customers. It is possible that these consumer, health- related and data protection laws may be interpreted and applied in a manner that is inconsistent with our practices. If so, this could result in government- imposed fines or orders requiring that we change our practices, which could adversely affect our business. In addition to the CCPA, numerous other states' legislatures are considering or have enacted similar data privacy laws **. For example, Virginia, Colorado, Utah and Connecticut have each passed laws similar to but different from the CCPA and CPRA** that **have taken effect in 2023; Florida, Montana, Oregon and Texas have enacted similar laws that go into effect in 2024; Tennessee, Delaware and Iowa have enacted similar laws that go into effect in 2025; and Indiana has enacted a similar law that will go into effect in 2026. Additionally, certain other state laws govern the privacy and security of health information in certain circumstances, such as Washington' s My Health, My Data Act, which contains a private right of action. These new state laws** will require ongoing compliance efforts and investment ~~, including Virginia, Utah, Connecticut and Colorado~~ . In addition, laws in all 50 U. S. states require businesses to provide notice to consumers whose personal information has been disclosed as a result of a data breach. State laws are changing rapidly and there is discussion in the U. S. Congress of a new comprehensive federal data privacy law to which we would become subject if it is enacted. Furthermore, regulations promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 (the " HIPAA "), establish privacy and security standards that limit the use and disclosure of **certain** individually identifiable health information ~~(known~~ **defined in HIPAA** as " protected health information " ~~)~~ and require the implementation of administrative, physical and technological safeguards to protect the privacy of protected health information and ensure the confidentiality, integrity and availability of electronic protected health information. Determining whether protected health information has been handled in compliance with applicable privacy standards and our contractual obligations can require complex factual and statistical analyses and may be subject to changing interpretation. Although we take measures to protect sensitive data from unauthorized access, use or disclosure, our information technology and infrastructure may be vulnerable to attacks by hackers or viruses or breached **, subject to a security incident, or otherwise compromised or disrupted** due to **various causes, including** employee error, malfeasance or other malicious or inadvertent ~~disruptions~~ **actions** . Any such breach **, incident, compromise** or ~~interruption~~ **disruption** could compromise our networks and the information stored there could be accessed by unauthorized parties, manipulated, publicly disclosed, lost ~~or~~ **,** stolen **, corrupted, made unavailable, or misused or otherwise processed without authorization** . Any such access, breach or other loss of information could result in legal claims or proceedings, and liability under federal or state laws that protect the privacy of personal information, such as the HIPAA, the Health Information Technology for Economic and Clinical Health Act ~~(the " HITECH ")~~ , and regulatory penalties. Notice of breaches must be made to affected individuals, the Secretary of the Department of Health and Human Services, 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. We are in the process of evaluating compliance needs but do not currently have in place formal policies and procedures related to the storage, collection and processing of information, and have not conducted any internal or external data privacy audits ~~,~~ to ~~ensure~~ **fully assess** our compliance with all applicable data protection laws and regulations. Additionally, we do not currently have policies and procedures in place for assessing our third- party vendors' compliance with applicable data protection laws and regulations. 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 management 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 or our third- party vendors, collaborators, contractors and consultants to comply with any applicable federal, state or similar foreign laws and regulations **, contractual obligations or any other actual or asserted obligations** relating to data privacy and security ~~, or~~ could result in damage to our reputation, as well as **claims, demands,** 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 **and other liabilities** , all of which could have a material adverse effect on our business, financial condition, results of operations and prospects **. Our use of artificial intelligence and machine learning technologies may result in reputational harm or liability. We have incorporated and may continue to incorporate additional artificial intelligence and machine learning, or AIML, technologies into our platform, including within our decoding pipelines and otherwise within our business, and these solutions and features are key elements of our technological approach and to our future growth over time. We rely and expect to rely on AIML technologies in our platform, but there can be no assurance that we will realize the desired or anticipated benefits from AIML or any at all. We may also fail to properly implement or utilize AIML technologies. Our competitors or other third parties may incorporate AIML into their products and services or otherwise within their business more quickly or more successfully than us, which could impair our ability to compete effectively and adversely affect our results of operations. Additionally, our use of AIML technologies may expose us to additional claims, demands and proceedings by private parties and regulatory authorities and subject us to legal liability as well as brand and reputational harm. For example, if output from AIML technologies or that they assist in producing are or are alleged to be deficient, inaccurate, or**

biased, or for such output, or such technologies or their development or deployment, including the collection, use, or other processing of data used to train or create such AIML technologies, to alleged to infringe upon or to have misappropriated third- party intellectual property rights or to violate applicable laws, regulations, or other actual or asserted legal obligations to which we are or may become subject, then our business, financial condition, and results of operations may be adversely affected. The legal, regulatory, and policy environments around AIML are evolving rapidly, and we may become subject to new and evolving legal and other obligations. These and other developments may require us to make significant changes to our use of AIML, including by limiting or restricting our use of AIML, and may require us to make significant changes to our policies and practices, which may necessitate expenditure of significant time, expense, and other resources, AIML also presents emerging ethical issues, and if our use of AIML becomes controversial, we may experience brand or reputational harm . If we commercialize our Nautilus platform outside of the United States, our international business could expose us to business, tax, regulatory, political, operational, financial, and economic risks associated with doing business outside of the United States. If we commercialize our Nautilus platform outside of the United States, our international business may be adversely affected by changing economic, political and regulatory conditions in foreign countries. Engaging in international business inherently involves a number of difficulties and risks, including: • required compliance with existing and changing foreign regulatory requirements and laws; • required compliance with U. S. laws such as the Foreign Corrupt Practices Act, and other U. S. federal laws and regulations established by the office of Foreign Asset Control; • export or import restrictions; • laws and business practices favoring local companies; • foreign currency exchange, longer payment cycles and difficulties in enforcing agreements and collecting receivables through certain foreign legal systems; • political and economic instability; • changes in social, economic, and political conditions or in laws, regulations and policies governing foreign trade, intellectual property, manufacturing, research and development, and investment both domestically as well as in the other countries and jurisdictions in which we operate and into which we may sell our products including as a result of the separation of the United Kingdom from the European Union (Brexit); • potentially adverse tax consequences, tariffs, customs charges, bureaucratic requirements and other trade barriers; • difficulties and costs of staffing and managing foreign operations, including compliance with diverse and complex local employment laws and practices; and • difficulties protecting, maintaining, enforcing or procuring intellectual property rights. If one or more of these risks occurs, it could require us to dedicate significant resources to remedy such occurrence, and if we are unsuccessful in finding a solution, our financial results will suffer. In addition, if we commercialize our Nautilus platform outside of the United States, we may rely on distributors for sales of our Nautilus platform and related products. To do so we must attract distributors and maintain distributors to maximize the commercial opportunity for our platform. There is no guarantee that we will be successful in attracting or retaining desirable sales and distribution partners or that we will be able to enter into such arrangements on favorable terms. Distributors may not commit the necessary resources to market and sell our Nautilus platform and related products to the level of our expectations or may choose to favor marketing the products of our competitors. If current or future distributors do not perform adequately, or we are unable to enter into effective arrangements with distributors in particular geographic areas, we may not realize long- term international revenue growth and our financial results will suffer. If we expand our development and commercialization activities outside of the United States, we will be subject to an increased risk of conducting activities in a manner that violates the U. S. Foreign Corrupt Practices Act and similar laws. If that occurs, we may be subject to civil or criminal penalties and other adverse consequences which could have a material adverse effect on our business, financial condition, results of operations and growth prospects. We are subject to the U. S. Foreign Corrupt Practices Act, or the FCPA, and similar anti- corruption laws which generally prohibit companies, their employees, agents, representatives, business partners, and third- party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector. Specifically, the FCPA which prohibits corporations and individuals from paying, offering to pay, or authorizing the payment of anything of value to any foreign government official, government staff member, political party, or political candidate in an attempt to obtain or retain business or to otherwise influence a person working in an official capacity. We are also subject to the UK Bribery Act, which prohibits both domestic and international bribery, as well as bribery across both public and private sectors. If we choose to establish and expand our commercial operations outside of the United States we will need to comply with non- U. S. regulatory requirements, may need to establish and expand business relationships with various third parties, and we, our employees, agents, representatives, business partners and third- party intermediaries may interact more frequently with foreign officials, including regulatory authorities, and we may be held liable for the corrupt or other illegal activities of these employees, agents, representatives, business partners or third- party intermediaries, even if we do not explicitly authorize such activities. Any interactions with any such parties or individuals where improper payments are provided that are found to be in violation of such laws could result in substantial fines and penalties and could materially harm our business. We cannot assure you that all of our employees, agents, representatives, business partners and third- party intermediaries will not take actions in violation of applicable law for which we may ultimately be held responsible. These laws also require that we keep accurate books and records and maintain internal controls and compliance procedures designed to prevent any such actions. While we have policies and procedures to address compliance with such laws, we cannot assure you that none of our employees, agents, representatives, business partners or third-party intermediaries will take actions in violation of our policies and applicable law, for which we may be ultimately held responsible. Further, as we increase our international sales and business, our risks under these laws may increase and expanded programs to maintain compliance with such laws may be costly and may not be effective. Furthermore, any finding of a violation under one country' s laws may increase the likelihood that we will be prosecuted and be found to have violated another country' s laws. If our business practices are alleged to be or are found to be in violation of the FCPA, UK Bribery Act or other similar anti- corruption laws, we may be subject to whistleblower complaints, sanctions, settlements, prosecution, enforcement actions, fines, damages, adverse media coverage, investigations, loss of export privileges, significant civil and criminal

penalties, or suspension or debarment from government contracts, all of which could have a material adverse effect on our reputation, financial condition and results of operations. Responding to any investigation or action will likely result in materially significant diversion of management' s attention and resources and significant defense costs and other professional fees. Environmental and health safety laws may result in liabilities, expenses and restrictions on our operations. Failure to comply with environmental laws and regulations could subject us to significant liability. Federal, state, local and foreign laws regarding environmental protection, hazardous substances and human health and safety may adversely affect our business. Our research and development operations involve the use of hazardous substances and are subject to a variety of federal, state, local and foreign environmental laws and regulations relating to the storage, use, discharge, disposal, remediation of, and human exposure to, hazardous substances and the sale, labeling, collection, recycling, treatment and disposal of products containing hazardous substances. These operations are permitted by regulatory authorities, and the resultant waste materials are disposed of in material compliance with environmental laws and regulations. Using hazardous substances in our operations exposes us to the risk of accidental injury, contamination or other liability from the use, storage, importation, handling or disposal of hazardous materials. If we or our suppliers' operations result in the contamination of the environment or expose individuals to hazardous substances, we could be liable for damages and fines, and any liability could significantly exceed our insurance coverage and have a material adverse effect on our business, financial condition and results of operations. Liability under environmental laws and regulations can be joint and several and without regard to fault or negligence. Compliance with environmental laws and regulations may be expensive and noncompliance could result in substantial liabilities, fines and penalties, personal injury and third- party property damage claims and substantial investigation and remediation costs. Environmental laws and regulations could become more stringent over time, imposing greater compliance costs and increasing risks and penalties associated with violations. We cannot assure you that violations of these laws and regulations will not occur in the future or have not occurred in the past as a result of human error, accidents, equipment failure or other causes. The expense associated with environmental regulation and remediation could harm our financial condition and operating results. We are exposed to the risk that our employees, independent contractors, consultants, commercial collaborators, distributors, suppliers and vendors may engage in misconduct or other improper activities. Misconduct by these parties could include failures to comply with applicable FDA regulations, provide accurate information to the FDA, comply with federal and state health care fraud and abuse laws and regulations, accurately report financial information or data or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in the health care industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self- dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Misconduct by these parties could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to our reputation. It is not always possible to identify and deter misconduct by these parties, and the precautions we take to detect and prevent such misconduct may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us, and we are not successful in defending our self or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant penalties, including civil, criminal and administrative penalties, damages, fines, disgorgement, individual imprisonment, exclusion from participation in government funded healthcare programs, such as Medicare and Medicaid, integrity oversight and reporting obligations, contractual damages, reputational harm, diminished profits and future earnings and the curtailment or restructuring of our operations. Demand for our technology could be reduced by legal, social and ethical concerns surrounding the use of genetic information and biological materials. Our products may be used to provide genetic information or analyze biological materials from humans and other living organisms. The information obtained from our products could be used in a variety of applications, which may have underlying legal, social and ethical concerns, including the genetic engineering or modification of agricultural products, testing for genetic predisposition for certain medical conditions and stem cell research. Governmental authorities could, for safety, social or other purposes, call for limits on or impose regulations on the use of genetic testing or the use of certain biological materials. Such concerns or governmental restrictions could limit the use of our products, which could have a material adverse effect on our business, financial condition and results of operations. If we experience a significant disruption in our information technology systems or breaches of data security, our business could be adversely affected. We rely ~~, or will rely,~~ on information technology systems to keep financial records, facilitate our research and development initiatives, manage our manufacturing operations, maintain quality control, fulfill customer orders, **process customer data and information,** maintain corporate records, communicate with staff and external parties and operate other critical functions. Our information technology systems and those of our vendors and partners are potentially vulnerable to disruption **, failure and compromise** due to breakdown, malicious intrusion and computer viruses, ransomware or other malicious software, or other disruptive events, including, but not limited to, natural disasters and catastrophes **. Like other life sciences technology companies, we have experienced cybersecurity incidents in the past, and we may experience them again in the future. For example, in January 2024, we experienced an incident involving unauthorized access to an employee account. The Company has worked, and continues to work with external cybersecurity experts, in detecting, blocking, containing, remediating, and investigating any cyber security incidents and risks, and in further enhancing our cybersecurity safeguards. This incident did not, and other incidents have not impacted the availability of our systems, materially disrupted our operations, or had any material impact on our financial or operating results. Cyber security risks are constantly evolving, and as such, we anticipate additional work and expense in the future as we continue to further enhance our security processes and initiatives to meet the changing landscape of cyber security risks. While cyber insurance may be available for companies, any available insurance for cyber events, may be limited in amount, subject to deductibles, and may not be adequate to cover us for all costs arising**

from cyber security incidents. Given increasing cyber security risks, cyber insurance may not be available to us in the future, or may not be available on commercially reasonable terms . Cyberattacks and other malicious internet- based activity continue to increase and cloud- based platform providers of services have been and are expected to continue to be targeted. Furthermore, there may be a heightened risk of potential cyberattacks by state actors or others since the escalation of the conflicts in Eastern Europe **and intensified conflicts in the Middle East** . Methods of attacks on information technology systems and attempting or effecting data security breaches and incidents change frequently, are increasingly complex and sophisticated, including social engineering and phishing scams, and can originate from a wide variety of sources. In addition to traditional computer " hackers, " malicious code, such as viruses and worms, employee theft or misuse, denial- of- service attacks and sophisticated nation- state and nation- state supported actors now engage in attacks, including advanced persistent threat intrusions. Despite our efforts to create security barriers to such threats, it is virtually impossible for us to entirely mitigate these risks. ~~In addition, we have not finalized our information technology and data security procedures and therefore, our information technology systems may be more susceptible to cybersecurity attacks than if such security procedures were finalized.~~ Despite any of our current or future efforts to protect against cybersecurity attacks and data security breaches, there is no guarantee that our efforts are adequate to safeguard against all such attacks and breaches. Moreover, it is possible that we may not be able to anticipate, detect, appropriately react and respond to, or implement effective preventative measures against, all cybersecurity incidents. If our security measures, or those of our vendors and partners, are compromised due to ~~any~~ cybersecurity attacks or ~~data~~ security breaches **or incidents** , including as a result of third- party action, employee or customer error, malfeasance, stolen or fraudulently obtained log- in credentials or otherwise, or if any of these events is perceived to have occurred, our reputation could be damaged, our business and reputation may be harmed, we could become subject to **claims, demands and** litigation **by private parties, and regulatory investigations and other proceedings,** and we could incur significant liability. If we were to experience a prolonged system disruption in our information technology systems or those of certain of our vendors and partners, it could negatively impact our ability to serve our customers, which could adversely impact our business, financial condition, results of operations and prospects. If operations at our facilities were disrupted, it may cause a material disruption in our business if we are not capable of restoring functionality on an acceptable timeframe. In addition, our information technology systems, and those of our vendors and partners, are potentially vulnerable to data security breaches and incidents, whether by internal bad actors, such as employees or other third parties with legitimate access to our or our third- party providers' systems, or external bad actors, which could lead to the exposure of personal data, sensitive data and confidential information to unauthorized persons. Any such data security breaches **or incidents** could lead to the loss of trade secrets or other intellectual property, or could lead to the loss, unavailability, exposure, unauthorized modification, alteration or other processing of personal information, including sensitive personal information, of our employees, customers and others, any of which could have a material adverse effect on our business, reputation, financial condition and results of operations. In addition, any such access, disclosure or other loss or unauthorized use of information or data could result in legal claims or proceedings, regulatory investigations or actions, and other types of liability under laws that protect the privacy and security of personal information, including federal, state and foreign data protection and privacy regulations, violations of which could result in significant penalties and fines. Furthermore, defending a suit, regardless of its merit, could be costly, divert management' s attention and harm our reputation. In addition, although we seek to detect and investigate data security incidents, security breaches and other incidents of unauthorized access to our information technology systems and data can be difficult to detect and any delay in identifying such breaches or incidents may lead to increased harm and legal exposure of the type described above. Moreover, there could be public announcements regarding any actual or perceived cybersecurity incidents and any steps we take to respond to or remediate such incidents, and if securities analysts or investors perceive these announcements to be negative, it could, among other things, have a material adverse effect on the price of our Common Stock. The cost of protecting against, investigating, mitigating and responding to potential breaches of our information technology systems and data security breaches and incidents and complying with applicable breach notification obligations to individuals, regulators, partners and others can be significant. As cybersecurity incidents continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate and remediate any information security vulnerabilities. The inability to implement, maintain and upgrade adequate safeguards could have a material adverse effect on our business, financial condition, results of operations and prospects. We may be unable to manage our anticipated growth effectively. Our anticipated growth will place significant strains on our management, operational and manufacturing systems and processes, sales and marketing team, financial systems and internal controls and other aspects of our business. We must upgrade our internal business processes and capabilities to create the scalability that a growing business demands. As of December 31, ~~2022~~ **2023** , we had ~~134~~ **167** employees. To execute our anticipated growth successfully, we must continue to attract and retain qualified personnel and manage and train them effectively. Developing and commercializing our Nautilus platform will require us to hire and retain scientific, sales and marketing, software, manufacturing, customer service, distribution and quality assurance personnel. In addition, we expect that we will need to hire additional accounting, finance and other personnel as 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 and effectively manage these growth activities. We may face challenges integrating, developing and motivating our rapidly growing employee base. Further, our anticipated growth will place additional strain on our suppliers and manufacturing facilities, resulting in an increased need for us to carefully monitor quality assurance. Any failure by us to manage our growth effectively could have an adverse effect on our ability to achieve our development and commercialization goals. Our ability to successfully manage our expected growth is uncertain given the fact that we have been in operation only since 2016. As we continue to grow, we will be required to implement more complex organizational management structures and may find it increasingly difficult to maintain the benefits of our corporate culture, including our ability to quickly develop and launch new and innovative products. If we do not successfully manage our

anticipated growth, our business, results of operations, financial condition and prospects will be harmed. If we are unable to recruit and retain key executives and scientists, we may be unable to achieve our goals. Our performance is substantially dependent on the performance of our senior management and key scientific and technical personnel, particularly Sujal Patel, one of our founders and our Chief Executive Officer, and Parag Mallick, one of our founders and our Chief Scientist. The loss of the services of any member of our senior management or our scientific or technical staff might significantly delay or prevent the development of our products or achievement of other business objectives by diverting management' s attention to transition matters and identification of suitable replacements, if any, and could have a material adverse effect on our business. We do not maintain fixed term employment contracts with any of our employees and do not maintain key man life insurance on any of our employees. In addition, our research and product development efforts could be delayed or curtailed if we are unable to attract, train and retain highly skilled employees, particularly, senior scientists and engineers. To expand our research and product development efforts, we need additional people skilled in areas such as molecular and cellular biology, biochemistry, surface chemistry, software, bioinformatics, assay development, mechanical engineering, electrical engineering, optics, fluidics and manufacturing. Competition for these people is intense. Because of the complex and technical nature of our system and the dynamic market in which we compete, any failure to attract and retain a sufficient number of qualified employees could materially harm our ability to develop and commercialize our technology. ~~This competition has become exacerbated by the increase in employee resignations in 2022 reported by employers nationwide and continued high rates of employee turnover in 2023.~~ As part of our retention and incentive efforts, in addition to salary and cash incentives, we have issued stock options that vest over time. The value to employees of stock options that vest over time may be significantly affected by decreases in our stock price (whether or not related to or proportional to our operating performance) and may at any time be insufficient to counteract more lucrative offers from other companies. We may face challenges in retaining and recruiting such individuals due to sustained declines in our stock price that could reduce the retention value of equity awards. We may acquire other companies or technologies, which could divert our management' s attention, result in additional dilution to our stockholders and otherwise disrupt our operations and harm our operating results. We may in the future seek to acquire or invest in businesses, applications or technologies that we believe could complement or expand our Nautilus platform or future products, enhance our technical capabilities or otherwise offer growth opportunities. The pursuit of potential acquisitions may divert the attention of our management and cause us to incur various costs and expenses in identifying, investigating and pursuing suitable acquisitions, whether or not they are consummated. We may not be able to identify desirable acquisition targets or be successful in entering into an agreement with any particular target or obtain the expected benefits of any acquisition or investment. We have limited experience in acquiring other businesses or technologies. We may not be able to successfully integrate acquired personnel, operations and technologies, or effectively manage the combined business following an acquisition. Acquisitions could also result in dilutive issuances of equity securities, the use of our available cash, or the incurrence of debt, which could harm our operating results. In addition, if an acquired business fails to meet our expectations, our operating results, business and financial condition may suffer. ~~The COVID- 19 pandemic and efforts to reduce its spread have adversely impacted and are expected to continue to materially and adversely impact, our business and operations. The COVID- 19 pandemic has had, and is expected to continue to have, an adverse impact on our operations, particularly as a result of preventive and precautionary measures that we, other businesses, and governments are taking. Governmental mandates related to COVID- 19 or other infectious diseases, or public health crises, have impacted, and we expect them to continue to impact, our personnel and personnel at our suppliers in the United States and other countries, and the availability or cost of materials, which would disrupt or delay our receipt of instruments, components and supplies from the third parties we rely on. For instance, " stay- at- home " orders were imposed in California, where our primary research and development facility is located, and in Washington state, where our primary corporate facility is located, that required reductions in capacity or shutdowns of businesses as well as the implementation of social distancing protocols and other plans and measures. During March and April of 2020, the volume of ongoing lab work was reduced, and only critical program work in the lab continued with staggered lab employee work shifts to minimize risk of exposure to COVID- 19. While we have largely resumed normal operations, any resurgence or worsening of the COVID- 19 pandemic may cause us to reinstitute certain measures to protect employee safety which may further disrupt or delay our ability to conduct development activities. Additionally, our suppliers have also been impacted by the COVID- 19 pandemic. For example, we have experienced some supply disruptions due to the pandemic, including closures at certain chip manufacturers, which led to extended lead times for certain chips; diversion of certain lab materials needed to support COVID- 19 relief efforts; and lower availability of certain reagents. To the extent that any governmental authority imposes additional regulatory requirements or changes existing laws, regulations, and policies that apply to our business and operations, such as workplace safety measures, our product development may be delayed, and we may incur further costs in bringing our business and operations into compliance with changing or new laws, regulations, and policies. While we are currently in the development stage, we expect that substantially all of our revenue will be derived from sales of our Nautilus platform, including our instruments and consumables, to biopharmaceutical companies and academic and research institutions. As we leave the development stage and enter the next stage of our commercialization plan, the research and development budgets of these customers, the ability of such customers to receive funding for research, and the ability of such customers to receive instrument installations and visitors to their facilities and to travel to our facilities, other laboratories and industry events, will become increasingly important to the adoption of our Nautilus platform. All of these considerations are impacted by factors beyond our control, such as: • disruptions in the supply chains of entities providing important services and products to our Nautilus platform; • reductions in capacity or shutdowns of laboratories and other institutions as well as other impacts stemming from the COVID- 19 pandemic, such as reduced or delayed spending on instruments or consumables as a result of such shutdowns and delays before re- opened laboratories and institutions resume previous levels of research activities that require new purchases of our instruments or consumables; • decreases in government funding of research and development; and • changes to programs that~~

~~provide funding to research laboratories and institutions, including changes in the amount of funds allocated to different areas of research, changes that have the effect of increasing the length of the funding process or the impact of the COVID- 19 pandemic on our customers and potential customers and their funding sources. The ultimate impact of the COVID- 19 pandemic is highly uncertain and subject to sudden change. This impact could have a material, adverse impact on our liquidity, capital resources, operations and business and those of the third parties on which we rely and could worsen over time. The extent to which the COVID- 19 pandemic impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID- 19 and the actions to contain COVID- 19 or treat its impact, the emergence or further spread of additional variants, and the risk of waning immunity among persons already vaccinated among others. While we do not yet know the full extent of potential impacts on our business, any of these occurrences could significantly harm our business, results of operations and financial condition.~~ Unfavorable U. S. or global economic conditions as a result of multiple global events, including the COVID- 19 pandemic, the ~~conflict~~ **conflicts** in Eastern Europe **and the Middle East** , increasing interest rates **, instability in the global financial markets,** and general economic downturns, could adversely affect our ability to raise capital and our business, results of operations and financial condition. While the potential economic impact brought by multiple adverse global circumstances, such as the COVID- 19 pandemic, conflicts in Eastern Europe **and the Middle East** , potential uncertainty related to Taiwan and its relationship with China, increasing interest rates and general economic downturns **, and the collapse of Silicon Valley Bank and other financial institutions in March 2023, and related instability in the global financial markets,** are difficult to assess or predict, both as to magnitude and duration, these events have resulted in, and may continue to result in, extreme volatility and disruptions in the capital and credit markets, reducing our ability to raise additional capital through equity, equity- linked or debt financings, which could negatively impact our short- term and long- term liquidity and our ability to operate in accordance with our operating plan, or at all. Additionally **, these events have resulted, and in the future may result, in disruptions in our supply chains or the supply chains of those entities providing services or products to us, restrictions in our ability to deploy our workforce in our own facilities, locally, nationally or internationally, restrictions on the operating capacity of the laboratories or research facilities of our customers, decreases in government funding of research and development, or changes to programs that provide funding to research laboratories that may have the impact of redirecting funding to other areas of research, or prolonging or delaying funding cycles, any of which could adversely impact our ability to manufacture and sell our products. Moreover** , our results of operations could be adversely affected by general conditions in the global economy and financial markets. A severe or prolonged economic downturn could result in a variety of risks to our business, including weakened demand for our Nautilus platform and our ability to raise additional capital when needed on favorable terms, if at all. A weak or declining economy could strain our customers' budgets or cause delays in their payments to us. As a result of such events, we or our contractors, partners and / or suppliers could experience shortages, business disruptions or delays for materials sourced or manufactured in countries affected by such events, and their ability to supply us with services or components may be adversely affected. In addition, our contractors and suppliers have raised and may continue to raise prices for goods and services we employ in our research and development efforts and for components or materials used in our Nautilus platform. Additionally, there is ongoing uncertainty regarding the federal budget and federal spending levels, including the possible impacts of a failure to increase the " debt ceiling. " Any U. S. government default on its debt could have broad macroeconomic effects that could, among other things, disrupt access to capital markets and deepen recessionary conditions. Further, as of December 31, ~~2022~~ **2023** , we had cash, cash equivalents and ~~long- term~~ investments of $ ~~313~~ **264** . ~~6~~ **1** million, consisting of U. S. treasury securities, mutual funds, commercial paper, corporate debt securities, and agency ~~bonds~~ **securities** . Any default by the U. S. government or credit downgrade of the securities we hold could impact the liquidity or valuation of our investments. Any of the foregoing could harm our business, financial condition and results of operations, and we cannot anticipate all of the ways in which the current economic climate and financial market conditions could adversely impact our ability to raise capital, business, results of operations and financial condition. Global supply chain interruptions could adversely affect our ability to develop and commercialize our products. We may be subject to supply chain interruptions. Current or future supply chain interruptions that could be exacerbated by global political tensions, such as the situation in Eastern Europe ~~and~~ **, increased conflict in the Middle East,** uncertainty related to Taiwan and its relationship with China, **and resurgent or new global pandemics** could negatively impact our ability to further develop our products or to manufacture and deliver our products or services, which could negatively impact our timelines and business results. For example, ~~as discussed in the risk factor above entitled " The COVID- 19 pandemic and efforts to reduce its spread have adversely impacted and are expected to continue to materially and adversely impact, our business and operations, "~~ we have experienced some supply disruptions due to the COVID- 19 pandemic, including closures at certain chip manufacturers, which led to extended lead times for certain chips; diversion of certain lab materials needed to support COVID- 19 relief efforts; and lower availability of certain reagents, and delays similar to those we experienced during the COVID- 19 pandemic could impact us if they recur or are exacerbated due to the ~~situation~~ **situations** in Eastern Europe **and / or the Middle East** . If our facilities become unavailable or inoperable, our research and development program and commercialization launch plan could be adversely impacted and manufacturing of our instruments and consumables could be interrupted. Our Seattle, Washington, facility **primarily** houses our corporate executive team and our software development operations, while our **facilities in** San Carlos **and San Diego** , California ~~facility~~ **primarily** ~~houses~~ **house** our research and development ~~team~~ **teams** . Our facilities in Seattle ~~and~~ **,** San Carlos **and San Diego** are vulnerable to natural disasters, public health crises, including the impact of the COVID- 19 pandemic, and other catastrophic events. For example, our San Carlos **and San Diego** facilities are located near earthquake fault zones and are vulnerable to damage from earthquakes as well as other types of disasters, including fires, floods, power loss, communications failures and similar events. If any disaster, public health crisis or catastrophic event were to occur, our ability to operate our business would be seriously, or potentially completely, impaired. If our facilities become unavailable for any reason, we cannot provide

assurances that we will be able to secure alternative facilities with the necessary capabilities and equipment on acceptable terms, if at all. We may encounter particular difficulties in replacing our San Carlos facilities given the specialized equipment housed within it. The inability to manufacture our instruments or consumables, combined with our limited inventory of manufactured instruments and consumables, may result in the loss of future customers or harm our reputation, and we may be unable to re-establish relationships with those customers in the future. If our research and development program or planned commercialization program were disrupted by a disaster or catastrophe, the launch of new products, including our Nautilus platform, and the timing of improvements to our products could be significantly delayed and could adversely impact our ability to compete with other available products and solutions. If our capabilities are impaired, we may not be able to manufacture and ship our products in a timely manner, which would adversely impact our business. Although we possess insurance for damage to our property and the disruption of our business, this insurance may not be sufficient to cover all of our potential losses and may not continue to be available to us on acceptable terms, or at all. We use hazardous chemicals and biological materials in our business. Any claims relating to improper handling, storage or disposal of these materials could be time consuming and costly. Our research and development processes involve the controlled use of hazardous materials, including select chemicals that may be flammables, toxic or corrosives, as well as potential biohazard materials. We cannot eliminate the risk of accidental contamination or discharge and any resultant injury from these materials. In addition, our Nautilus platform involves the use of a high- powered laser system, which could result in injury. We may be sued for any injury or contamination that results from our use or the use by third parties of these materials. We do not currently maintain separate environmental liability coverage and any such contamination or discharge could result in significant cost to us in penalties, damages and suspension of our operations. An active trading market for our Common Stock may never develop or be sustained. Prior to the Business Combination, there was no public trading market for Legacy Nautilus' Common Stock. Although our Common Stock is listed on the Nasdaq Global Select Market, the market for our shares has demonstrated varying levels of trading activity. If an active trading market does not develop, or develops but is not maintained, you may have difficulty selling any of our Common Stock due to the limited public float. We cannot predict the prices at which our Common Stock will trade. It is possible that in one or more future periods our results of operations and progression of our product pipeline may not meet the expectations of public market analysts and investors, and, as a result of these and other factors, the price of our Common Stock may fall. Accordingly, we cannot assure you of your ability to sell your shares of our Common Stock when desired or at prices at or above the price you paid for your shares or at all. The market price of our Common Stock has been and may continue to be volatile, which could result in substantial losses for investors. The market price of our Common Stock has been and may continue to be highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control. The market price of our Common Stock may fluctuate due to a variety of factors, including: • the timing of the launch and commercialization of our products and degree to which such launch and commercialization meets the expectations of securities analysts and investors; • actual or anticipated fluctuations in our operating results, including fluctuations in our quarterly and annual results; • operating expenses being more than anticipated; • the failure or discontinuation of any of our product development and research programs; • changes in the structure or funding of research at academic and research laboratories and institutions, including changes that would affect their ability to purchase our instruments or consumables; • the success of existing or new competitive businesses or technologies; • announcements about new research programs or products of our competitors; • developments or disputes concerning patent applications, issued patents or other proprietary rights; • the recruitment or departure of key personnel; • litigation and governmental investigations involving us, our industry or both; • regulatory or legal developments in the United States and other countries; • volatility and variations in market conditions in the life sciences technology sector generally, or the proteomics or genomics sectors specifically; • investor perceptions of us or our industry; • the level of expenses related to any of our research and development programs or products; • actual or anticipated changes in our estimates as to our financial results or development timelines, variations in our financial results or those of companies that are perceived to be similar to us or changes in estimates or recommendations by securities analysts, if any, that cover our Common Stock or companies that are perceived to be similar to us; • whether our financial results meet the expectations of securities analysts or investors; • the announcement or expectation of additional financing efforts; • sales of our Common Stock by us or by our insiders or other stockholders; • general economic, industry and market conditions; and • the COVID- 19 pandemic, natural disasters or major catastrophic events. Recently, stock markets in general, and the market for life sciences technology companies in particular, have experienced significant price and volume fluctuations that have often been unrelated or disproportionate to changes in the operating performance of the companies whose stock is experiencing those price and volume fluctuations, particularly in light of the current COVID- 19 pandemic. Broad market and industry factors may seriously 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. Following periods of such volatility in the market price of a company' s securities, securities class action litigation has often been brought against that company. Because of the potential volatility of our Common Stock price, we may become the target of securities litigation in the future. Securities litigation could result in substantial costs and divert management' s attention and resources from our business. There can be no assurance that we will be able to comply with the continued listing standards of Nasdaq. If Nasdaq delists our shares of Common Stock from trading on its exchange for failure to meet Nasdaq' s listing standards, we and our stockholders could face significant material adverse consequences including: • a limited availability of market quotations for our securities; • reduced liquidity for our securities; • a determination that our Common Stock is a " penny stock " which will require brokers trading in our Common Stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities; • a limited amount of new and analyst coverage; and • a decreased ability to issue additional securities or obtain additional financing in the future. Our principal stockholders and management own a significant percentage of our Common Stock and will be able to exercise significant influence over matters subject to stockholder approval. As of December 31, ~~2022~~ **2023** , our directors,

executive officers, holders of more than 5 % of our outstanding shares of Common Stock and their respective affiliates beneficially owned, collectively, approximately 68. ~~7~~ **8** % of the outstanding shares of Common Stock. As a result, these stockholders, if they act together, may significantly influence all 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 in control of our company that our other stockholders may believe is in their best interests. This in turn could have a material adverse effect on our stock price and may prevent attempts by our stockholders to replace or remove the board of directors or management. The sale or the perception of future sales of a substantial number of shares of our Common Stock could cause the market price of our Common Stock to drop significantly, even if our business is doing well. Sales of a substantial number of shares of our Common Stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our Common Stock. Pursuant to the Amended and Restated Registration Rights and Lock- Up Agreement (the " Registration Rights and Lock- Up Agreement ") and the Subscription Agreements entered into in connection with the PIPE Financing, we have filed resale registration statements to provide for the resale of the shares issued in the PIPE Financing and the shares of our Common Stock held by the parties to the Registration Rights and Lock- Up Agreement. The market price of our Common Stock could decline if the holders whose shares are registered under such registration statements sell their shares or are perceived by the market as intending to sell their shares. We do not expect to pay any dividends for the foreseeable future. Investors may never obtain a return on their investment. You should not rely on an investment in our Common Stock to provide dividend income. We do not anticipate that we will pay any dividends to holders of our Common Stock in the foreseeable future. Instead, we plan to retain any earnings to maintain and expand our existing operations, fund our research and development programs and continue to invest in our commercial infrastructure. In addition, any future credit facility or financing we obtain may contain terms prohibiting or limiting the amount of dividends that may be declared or paid on our Common Stock. Accordingly, investors must rely on sales of our Common Stock after price appreciation, which may never occur, as the only way to realize any return on their investment. As a result, investors seeking cash dividends should not purchase our Common Stock. Our bylaws designate a state or federal court located within the State of Delaware as the exclusive forum for substantially all disputes between us and our stockholders, and also provide that the federal district courts will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act of 1933, as amended, each of which could limit our stockholders' ability to choose the judicial forum for disputes with us or our directors, officers, stockholders, or employees. Our ~~Bylaws~~ **bylaws** provide that, unless we consent in writing to the selection of an alternative forum (an " Alternative Forum Consent "), the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, another state court in Delaware or the federal district court for the District of Delaware) will, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, stockholders or other employees to us or our stockholders, (iii) any action arising pursuant to any provision of the Delaware General Corporation Law or our ~~Certificate~~ **certificate** of ~~Incorporation~~ **incorporation** or bylaws (each, as may be amended from time to time), or (iv) any action asserting a claim governed by the internal affairs doctrine of the State of Delaware, except for any claim as to which the court does not have jurisdiction over an indispensable party to that claim. The foregoing shall not apply to any claims under the Exchange Act or the Securities Act of 1933, as amended (the " Securities Act "). In addition, unless we give an Alternative Forum Consent, the federal district courts of the United States shall be the sole and exclusive forum for resolving any action asserting a claim arising under the Securities Act against any person in connection with any offering of the Company' s securities, including any auditor, underwriter, expert, control person or other defendant. Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our bylaws also provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. Any person or entity purchasing or otherwise acquiring or holding or owning (or continuing to hold or own) any interest in any of our securities shall be deemed to have notice of and consented to the foregoing bylaw provisions. Although we believe these exclusive forum provisions benefit us by providing increased consistency in the application of Delaware law and federal securities laws in the types of lawsuits to which each applies, the exclusive forum provisions may limit a stockholder' s ability to bring a claim in a judicial forum of its choosing for disputes with us or any of our directors, officers, stockholders, or other employees, which may discourage lawsuits with respect to such claims against us and our current and former directors, officers, stockholders, or other employees. In addition, a stockholder that is unable to bring a claim in the judicial forum of its choosing may be required to incur additional costs in the pursuit of actions which are subject to the exclusive forum provisions described above. Our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder as a result of our exclusive forum provisions. Further, in the event a court finds either exclusive forum provision contained in our bylaws to be unenforceable or inapplicable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our results of operations. Delaware law and provisions in our certificate of incorporation and bylaws might discourage, delay or prevent a change in control of our company or changes in our management and, therefore, depress the trading price of our Common Stock. Our status as a Delaware corporation and the anti- takeover provisions of the Delaware General Corporation Law may discourage, delay or prevent a change in control by prohibiting us from engaging in a business combination with an interested stockholder for a period of three years after the person becomes an interested stockholder without the approval of holders of 66 2 / 3 % of the voting power of our stockholders other than the interested stockholder, even if a change of control would be beneficial to our existing stockholders. In addition, our certificate of incorporation and bylaws

contain provisions that may make the acquisition of our company more difficult, including the following: • our board of directors is classified into three classes of directors with staggered three- year terms and directors are only able to be removed from office for cause by the affirmative vote of holders of at least two- thirds of the voting power of our then outstanding capital stock; • certain amendments to our certificate of incorporation require the approval of stockholders holding two- thirds of the voting power of our then outstanding capital stock; • any stockholder- proposed amendment to certain provisions of our bylaws require the approval of stockholders holding two- thirds of the voting power of our then outstanding capital stock; • our stockholders are only able to take action at a meeting of stockholders and are not able to take action by written consent for any matter; • vacancies on our board of directors are able to be filled only by our board of directors and not by stockholders; • only the chair of our board of directors, our chief executive officer, our president or a majority of our board of directors are authorized to call a special meeting of stockholders; • certain litigation against us can only be brought in Delaware; • our certificate of incorporation authorizes undesignated preferred stock, the terms of which may be established by our Board and shares of which may be issued, without the approval of the holders of our capital stock; and • advance notice procedures apply for stockholders to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders. These anti- takeover defenses could discourage, delay, or prevent a transaction involving our change in control. These provisions could also discourage proxy contests and make it more difficult for stockholders to elect directors of their choosing and to cause us to take other corporate actions they desire, any of which, under certain circumstances, could limit the opportunity for our stockholders to receive a premium for their shares of our capital stock. As a public company, we will continue to incur significant legal, accounting, compliance and other expenses that we did not incur as a private company and these expenses may increase even more after we are no longer an " emerging growth company. " Our management and other personnel will need to devote a substantial amount of time and incur significant expense in connection with compliance initiatives. As a public company, we will continue to bear all of the internal and external costs of preparing and distributing periodic public reports in compliance with our obligations under the securities laws. In addition, regulations and standards relating to corporate governance and public disclosure, including the SOX, and the related rules and regulations implemented by the SEC and The Nasdaq Stock Market LLC, have increased legal and financial compliance costs and will make some compliance activities more time- consuming. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment will result in increased general and administrative expenses and may divert management' s time and attention from our other business activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to practice, regulatory authorities may initiate legal proceedings against us, and our business may be harmed. In the future, it may be more expensive or more difficult for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members for our board of directors, particularly to serve on our audit committee and compensation committee, and qualified executive officers. We have broad discretion in the use of the net proceeds from the Business Combination and the PIPE Financing and may not use them effectively. We cannot specify with certainty the particular uses of the net proceeds we received from the Business Combination and the PIPE Financing. Our management will have broad discretion in the application of the net proceeds. Our management may spend a portion or all of the net proceeds in ways that our stockholders may not desire or that may not yield a favorable return. The failure by our management to apply these funds effectively could harm our business, financial condition, results of operations and prospects. Pending their use, we may invest the net proceeds from the Business Combination and the PIPE Financing in a manner that does not produce income or that loses value. Our ability to use net operating losses **and certain other tax attributes** to offset future taxable income may be subject to certain limitations. **Our** ~~As of December 31, 2022, we had~~ U. S. federal and state net operating loss carryforwards, or NOLs, **may be unavailable to offset future taxable income because of restrictions under U. S. federal and / or state law. U. S. federal NOLs that arose in tax years ending on or prior to December 31, 2017, are only permitted to be carried forward for 20 years. U. S. federal NOLs that arose in tax years beginning after December 31, 2017, may be carried forward indefinitely, but for taxable years beginning after December 31, 2020, the deductibility of such U. S. federal NOLs will be limited to 80 % of our current year taxable income. Our state NOLs may be subject to similar or different limitations. As of December 31, 2023, we had U. S. federal NOLs** of $ ~~0~~ **71** . ~~5~~ **2** million **, of which** ~~for federal purposes and~~ $ ~~21~~ **70** . ~~1~~ **6** million ~~for~~ **do not expire, and** state ~~purposes, which if not utilized will expire in 2037. Federal~~ NOLs of $ ~~51~~ **95** . 5 million that ~~arose after the 2017 tax year~~ will **begin** ~~carry forward indefinitely and will be subject~~ to **expire in 2037** ~~the 80 % of taxable income limitation~~ . **In addition** ~~We may use these NOLs to offset against taxable income for U. S. federal and state income tax purposes. However~~ , Section 382 of the Internal Revenue Code of 1986, as amended **, or the Code** , may limit the NOLs we may use in any year for U. S. federal income tax purposes in the event of certain changes in our ownership. A **Code** Section 382 " ownership change " generally occurs if one or more stockholders or groups of stockholders who own at least 5 % of a company' s stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three- year period. Similar rules may apply under state tax laws. We have not conducted a **Code** Section 382 study to determine whether the use of our NOLs is impaired. We may have previously undergone an " ownership change. " In addition, future issuances or sales of our stock, including certain transactions involving our stock that are outside of our control, could result in future " ownership changes. " " Ownership changes " that have occurred in the past or that may occur in the future could result in the imposition of an annual limit on the amount of pre- ownership change NOLs and other tax attributes we can use to reduce our taxable income, potentially increasing and accelerating our liability for income taxes, and also potentially causing those tax attributes to expire unused. States may impose other limitations on the use of our NOLs **and other tax attributes** . Any limitation on using NOLs could, depending on the extent of such limitations and the NOLs previously used, result in our retaining less cash after payment of U. S. federal and state income taxes during any year in which we have taxable income, rather than losses, than we would be entitled to retain if such NOLs were available as an offset

against such **taxable** income for U. S. federal and state income tax reporting purposes, which could adversely impact our operating results. Changes in tax laws could have a material adverse effect on our future business, cash flows, results of operations or financial condition. We may in the future be subject to the tax laws, regulations, and policies of several taxing jurisdictions. Changes in tax laws, as well as other factors, could cause us to experience fluctuations in our tax obligations and effective tax rates and otherwise adversely affect our tax positions and / or our tax liabilities. For example, many countries and local jurisdictions and organizations such as the Organisation for Economic Co- operation and Development have proposed or implemented new tax laws or changes to existing tax laws, including additional taxes on payroll or employees **and a proposed 15 % global minimum tax (Pillar 2) that is being adopted by several countries with implementation beginning in 2024** . Any new or changes to tax laws could adversely affect our future effective tax rate, operating results, tax credits or incentives or tax payments, which could have a material adverse effect on our future business, cash flows, results of operations or financial condition if we expand internationally. For example, the United States recently enacted the Inflation Reduction Act of 2022, which implements, among other changes, a 1 % **non- deductible** excise tax on certain stock buybacks effective January 1, 2023. Further, on January 1, 2022, a provision of the Tax Cuts and Jobs Act of 2017 went into effect that eliminates the option to deduct ~~domestic~~ research and development costs in the year incurred and instead requires taxpayers to amortize such costs over five years **for domestic and 15 years for foreign costs** . Such changes, among others, may adversely affect our future effective tax rate, business, cash flows, results of operations and financial condition. If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results in a timely manner or prevent fraud, which would harm our business. Effective internal controls over financial reporting are necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation, could cause us to fail to meet our reporting obligations in a timely manner, or at all. In addition, any testing by us conducted in connection with Section 404 (a) of the Sarbanes- Oxley Act of 2002 (" SOX ") or any subsequent testing by our independent registered public accounting firm in connection with Section 404 (b) of SOX, may reveal deficiencies in our internal controls over financial reporting that are deemed to be significant deficiencies or material weaknesses or that may require prospective or retroactive changes to our financial statements or identify other areas for further attention or improvement. Ineffective internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our Common Stock. We will be required to disclose material changes made in our internal controls over financing reporting and procedures on a quarterly basis and our management will be required to assess the effectiveness of these controls annually. We will be required to make a formal assessment of the effectiveness of our internal control over financial reporting, and once we cease to be an " emerging growth company " under the Jumpstart Our Business Startups Act of 2012 (the " JOBS Act "), we will be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. However, for as long as we are an " emerging growth company, " our independent registered public accounting firm will not be required to attest to the effectiveness of our internal controls over financial reporting pursuant to Section 404 (b) of SOX. To achieve compliance with Section 404 (a) of SOX within the prescribed period, we have engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a plan to assess and document the adequacy of our internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are designed and operating effectively and implement a continuous reporting and improvement process for internal control over financial reporting. An independent assessment of the effectiveness of our internal controls could detect problems that our management' s assessment might not identify. Undetected material weaknesses in our internal controls could lead to financial statement restatements and require us to incur the expense of remediation. If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our results of operation 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 U. S. GAAP requires management to make estimates and assumptions that affect the amounts reported in our financial statements and accompanying notes. We base our estimates on historical experience and estimates 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, and expenses that are not readily apparent from other sources. For example, in connection with the implementation of the new revenue accounting standard if and when we have product sales, management makes judgments and assumptions based on our interpretation of the new standard. The new revenue standard is principle- based, and interpretation of those principles may vary from company to company based on their unique circumstances. It is possible that interpretation, industry practice and guidance may evolve as we apply the new standard. If our assumptions underlying our estimates and judgements relating to our critical accounting policies change or if actual circumstances differ from our assumptions, estimates or judgements, 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. We are an " emerging growth company " and a " smaller reporting company " and the reduced disclosure requirements applicable to emerging growth companies and smaller reporting companies may make our Common Stock less attractive to investors. We are an " emerging growth company, " as defined in the JOBS Act. For so long as we remain an emerging growth company, we are permitted by SEC rules and plan to rely on exemptions from certain disclosure requirements that are applicable to other SEC registered public companies that are not emerging growth companies. These exemptions include not being required to comply with the auditor attestation requirements of Section 404 of SOX, not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor' s report providing

additional information about the audit and the financial statements, reduced disclosure obligations regarding executive compensation and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. As a result, the information we provide stockholders will be different than the information that is available with respect to other public companies that are not emerging growth companies. To the extent that we continue to qualify as a " smaller reporting company, " as such term is defined in Rule 12b- 2 under the Securities Exchange Act of 1934, as amended (the " Exchange Act "), after we cease to qualify as an emerging growth company, we will continue to be permitted to make certain reduced disclosures in our periodic reports and other documents that we file with the SEC. We cannot predict whether investors will find our Common Stock less attractive if we rely on these exemptions. If some investors find our Common Stock less attractive as a result, there may be a less active trading market for our Common Stock and our stock price may be more volatile. In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to avail ourselves of this exemption from new or revised accounting standards and, therefore, we will not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates. Securities research analysts may establish and publish their own periodic projections for us. These projections may vary widely and may not accurately predict the results we actually achieve. The share price of our Common Stock may decline if our actual results do not match the projections of these securities research analysts. Similarly, if one or more of the analysts who write reports on us downgrades our stock or publishes inaccurate or unfavorable research about our business, the share price of our Common Stock could decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, the share price or trading volume of our Common Stock could decline.