Risk Factors Comparison 2025-03-13 to 2024-03-26 Form: 10-K

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Investing in our common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10- K, including our financial statements and related notes and the " Management' s Discussion and Analysis of Financial Condition and Results of Operations " section, before making an investment decision. These risks may materially and adversely affect our business, financial condition, results of operations and prospects. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that affect us. In that event, the trading price of our common stock could decline, and you could lose part or all of your investment. Risks Related to Our Limited Operating History, Business, and Financial Position We have a limited operating history, have incurred significant operating losses since our inception and expect to incur significant losses for the foreseeable future. We may never generate any revenue or become profitable, and, if we achieve profitability, we may not be able to sustain it. Biopharmaceutical product development is a highly speculative undertaking and involves a substantial degree of risk. We are a clinical- stage biopharmaceutical company with a limited operating history upon which you can evaluate our business and prospects. We commenced operations in 2020, and, to date, we have focused primarily on organizing and staffing our company, business planning, raising capital, identifying therapeutic candidates, establishing our intellectual property portfolio and conducting preclinical research and ~~, more recently,~~ clinical studies. As **a** ~~an early~~ clinical **- stage** organization, we ~~have only recently completed our first clinical trial and~~ have not yet completed any late- stage clinical trials, obtained regulatory approvals, manufactured a commercial- scale product, or arranged for a third party to do so on our behalf, or conducted sales and marketing activities necessary for successful product commercialization. Consequently, any predictions made about our future success or viability are speculative. We have incurred significant operating losses since our inception. We do not have any products approved for sale and have not generated any product revenue since our inception. If our therapeutic candidates are not successfully developed and approved, we may never generate any, or any significant revenue. Our net loss was $ ~~82~~ **84** . ~~6~~ **3** million for the year ended December 31, ~~2023~~ **2024** . As of December 31, ~~2023~~ **2024** , we had an accumulated deficit of $ ~~222~~ **307** . ~~8~~ **0** million. Substantially all of our losses have resulted from expenses incurred in connection with our research and development programs and from general and administrative costs associated with our operations. All of our therapeutic candidates will require substantial additional development time and resources before we would be able to apply for or potentially receive regulatory approvals and begin generating revenue from product sales. We expect to continue to incur losses for the foreseeable future, and we anticipate these losses will increase substantially as we continue our development of, seek regulatory approval for and potentially commercialize any of our therapeutic candidates. To become and remain profitable, we must succeed in developing and eventually commercializing products that generate significant revenue relative to cost of sales. This will require us to be successful in a range of challenging activities, including developing our clinical candidates, discovering additional therapeutic candidates, conducting preclinical studies prior to submitting investigational new drug applications (INDs), obtaining clearance for such INDs, completing additional preclinical studies and clinical trials of our therapeutic candidates, obtaining regulatory approval for therapeutic candidates and manufacturing, marketing and selling any products for which we may obtain regulatory approval. We are only in the preliminary stages of ~~most~~ **many** of these activities. We may never succeed in these activities and, even if we do, may never generate revenues that are significant enough to achieve profitability. In addition, we have not yet demonstrated an ability to successfully overcome many of the risks and uncertainties frequently encountered by companies in new and rapidly evolving fields, particularly in the biopharmaceutical industry. Because of the numerous risks and uncertainties associated with biopharmaceutical product development, we are unable to accurately predict the timing or amount of increased expenses or when, or if, we will be able to achieve profitability. Even if we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our failure to become and remain profitable may have an adverse effect on the value of our company and could impair our ability to raise capital, expand our business, maintain our research and development efforts, diversify our therapeutic candidates or even continue our operations. A decline in the value of our company could also cause you to lose all or part of your investment. Our limited operating history may make it difficult to evaluate our technology and industry and predict our future performance. Though several companies have conducted or are conducting studies involving neurodegenerative diseases for which microglia deficiency is a key driver of disease pathology, the relevance of those studies to the evaluation of therapeutic candidates developed using our precision medicine approach may be difficult to ascertain. Our ~~short history as an operating company and~~ novel therapeutic approach ~~make~~ **makes** assessments of our future success or viability subject to significant uncertainty. We will encounter risks and difficulties frequently experienced by ~~early~~ **clinical** - stage companies in rapidly evolving fields. Failure to address these risks successfully will cause our business to suffer. Similarly, we expect that our financial condition and operating results will fluctuate significantly from quarter to quarter and year to year due to a variety of factors, many of which are beyond our control. As a result, our stockholders should not rely upon the results of any quarterly or annual period as an indicator of future operating performance. In addition, as **a clinical organization** ~~an early- stage company~~ , we will encounter unforeseen expenses, difficulties, complications, delays and other known and unknown circumstances. As we advance our therapeutic candidates into and through the clinic and towards potential commercialization, we will need to transition from a company with a research and clinical development focus, to a company also capable of supporting commercial activities. We may fail in this transition. We will require additional financing to achieve our goals, and failure to obtain this necessary capital when needed and on acceptable terms, or at all, could force us to delay,

limit, reduce or terminate our development programs, commercialization efforts or other operations. ~~The development of biopharmaceutical therapeutic candidates is capital- intensive. We expect our expenses to increase in connection with our ongoing and planned activities, particularly as we conduct preclinical studies of our development programs, conduct our current, and initiate new, clinical trials for and in support of our therapeutic candidates and seek regulatory approvals for our current therapeutic candidates and any future therapeutic candidates we may develop. If we obtain regulatory approval for any of our therapeutic candidates, we also expect to incur significant commercialization expenses related to product manufacturing, marketing, sales and distribution. Because the outcome of any preclinical study or clinical trial is highly uncertain, we cannot reasonably estimate the actual amounts necessary to successfully complete the development and commercialization of our therapeutic candidates. Furthermore, we are incurring and expect to incur continued additional costs associated with operating as a public company. Accordingly, we will need to obtain substantial additional funding in connection with our continuing operations. Failing to raise capital when needed or on attractive terms could force us to delay, reduce or eliminate our research and development programs or any future commercialization efforts.~~ We believe that our existing cash, cash equivalents and marketable securities will enable us to fund our operations into ~~the second half of 2025~~ **2026** . We have based this estimate on assumptions that may prove to be wrong, and we could use our capital resources sooner than we currently expect. **Based** ~~Our operating plans and other demands~~ on our **available** cash resources ~~may change as a result of many factors currently unknown to us~~ , ~~and we may need to seek additional funds sooner than planned, through public or private equity or debt financings or other capital sources, including potentially collaborations, licenses and other similar arrangements. In addition, we may seek additional capital due to favorable market conditions or strategic considerations even if~~ we believe we **do not** have sufficient ~~funds~~ **cash and cash equivalents on hand to support current operations** for **at least one year from the date of issuance of the financial statements appearing within this Annual Report on Form 10- K. As a result, we have substantial doubt about our ability to continue as a going concern. Accordingly, we will need to obtain substantial additional funding in connection with our continuing operations. If we are unable to raise additional funding, we will be forced to delay, reduce or discontinue our product development programs efforts. The development of biopharmaceutical therapeutic candidates is capital- intensive. We expect our expenses to increase in connection with our ongoing and planned activities, particularly as we conduct preclinical studies of our development programs, conduct** our current **, and initiate new, clinical trials** ~~or~~ **for and in support of our therapeutic candidates and seek regulatory approvals for our current therapeutic candidates and any** future **therapeutic candidates we** ~~operating plans. Attempting to secure additional financing~~ may ~~divert our management from our day- to- day activities, which may adversely affect our ability to~~ develop **. If we obtain regulatory approval for any of our therapeutic candidates, we also expect to incur significant commercialization expenses related to product manufacturing, marketing, sales and distribution. Because the outcome of any preclinical study or clinical trial is highly uncertain, we cannot reasonably estimate the actual amounts necessary to successfully complete the development and commercialization of** our therapeutic candidates. Our future capital requirements will depend on many factors, including, but not limited to: • the type, number, scope, progress, expansions, results, costs and timing of our preclinical studies and clinical trials in support of the therapeutic candidates that we are pursuing or may choose to pursue in the future; • the clinical development plans we establish for our therapeutic candidates and related non- interventional natural history studies; • the costs and timing of manufacturing of our therapeutic candidates and commercial manufacturing if any therapeutic candidate is approved for sale; • the costs of establishing and maintaining clinical and commercial supply for the development and manufacture of our therapeutic candidates; • the costs, timing and outcome of regulatory review of our therapeutic candidates; • the terms and timing of establishing and maintaining collaborations, licenses and other similar arrangements; • the costs of obtaining, maintaining, enforcing, and defending our patents and other intellectual property rights; • the costs associated with our efforts to maintain the necessary operational systems and ~~hire additional~~ **retain the necessary** personnel to satisfy our obligations as a public company, including enhanced internal control over financial reporting, corporate compliance and corporate governance; • the costs associated with hiring additional personnel and consultants as our preclinical and clinical activities increase; • the achievement of milestones or occurrence of other developments that trigger payments under existing license and any potential collaboration agreements; • the costs and timing of establishing or securing sales and marketing capabilities if any therapeutic candidate is approved; • regulatory approval and revenue, if any, received from commercial sales of our therapeutic candidates; ~~and~~ • our ability to achieve sufficient market acceptance, coverage and adequate reimbursement from third- party payors and adequate market share and revenue for any approved products **; and • costs associated with continuing to operate as a public company** . ~~Accordingly~~ **In the future** , **our operating plans and other demands on our cash resources may change as a result of many factors currently unknown to us, and** we ~~will~~ **may** need to ~~continue~~ **seek additional funds sooner than planned, through public or private equity or debt financings or other capital sources, including potentially collaborations, licenses and other similar arrangements. In addition, we may seek additional capital due** to ~~rely on~~ **favorable market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. Attempting to secure** additional financing **may divert our management from our day-** to ~~achieve~~ **- day activities, which may adversely affect our ability to develop our therapeutic candidates. Failing to raise capital when needed** ~~our~~ **or on attractive terms could force** ~~business objectives. Adequate additional financing may not be available to~~ us **to delay** ~~on acceptable terms~~ , **reduce or eliminate** ~~or~~ **our** ~~at all~~ **research and development programs or any future commercialization efforts** . Our operating results may fluctuate significantly, which makes our future operating results difficult to predict and could cause our operating results to fall below expectations or our guidance. Our quarterly and annual operating results may fluctuate significantly in the future. From time to time, we may enter into license or collaboration agreements or strategic partnerships with other companies to gain access to new technologies, or to out- license our technologies. Any such agreement may include development funding and significant upfront and milestone payments and / or royalties, which may become an important source of our revenue. Under our exclusive license agreement with

Amgen, for example, we are required to pay Amgen up to $ 80. 0 million upon the achievement of specified regulatory milestones for the first mAb TREM2 agonist product (mAb product), and first small molecule TREM2 agonist product (small molecule product), upon achievement of specified regulatory milestones, as well as aggregate milestone payments of up to $ 350. 0 million upon achievement of specific commercial milestones across all such mAb products and small molecule products, and tiered royalties of low to mid- single- digit percentages on annual net sales of the products covered by the license. These milestone payments may vary significantly from period to period and the variance could cause a significant fluctuation in our operating results from one period to the next. In addition, **subject to post- grant modification of an award,** we measure compensation cost for stock- based awards made to employees at the grant date of the award, based on the fair value of the award as determined by our board of directors, and recognize the cost as an expense over the employee' s requisite service period. As the variables that we use as a basis for valuing these awards change over time, including, our underlying stock price and stock price volatility, the magnitude of the expense that we must recognize may vary significantly. Furthermore, our operating results may fluctuate due to a variety of other factors, many of which are outside of our control and may be difficult to predict, including, but not limited to: • the timing and outcomes of preclinical studies and clinical trials for iluzanebart ~~(formerly referred to as VGL101)~~ and VG- 3927 and any therapeutic candidates from our discovery programs, or competing therapeutic candidates; • the timing and cost of, and level of investment in, research and development activities relating to our programs, which will change from time to time; • the cost of manufacturing our current therapeutic candidates and any future therapeutic candidates, which may vary depending on the FDA, European Medicines Agency (EMA) or other comparable foreign regulatory authority guidelines and requirements, the quantity of production and the terms of our agreements with manufacturers; • the timing and cost of meeting regulatory requirements established by the FDA or EMA or comparable foreign regulatory authorities; • any delays in regulatory review or approval of iluzanebart, VG- 3927 or therapeutic candidates from any of our discovery programs; • our ability to enroll patients in clinical trials and non- interventional natural history studies and the timing of enrollment; • expenditures that we will or may incur to acquire or develop additional therapeutic candidates and technologies or other assets; • the need or desire to conduct preclinical studies or clinical trials, in countries outside of the United States, or studies or trials that are otherwise larger, lengthier or more complex than anticipated, any of which may be unanticipated; • competition from existing and potential future products that compete with iluzanebart, VG- 3927 or any of our other programs, and changes in the competitive landscape of our industry, including consolidation among our competitors or partners; • the level of demand for any of our therapeutic candidates, if approved, which may fluctuate significantly and be difficult to predict; • the risk / benefit profile, cost and reimbursement policies with respect to our therapeutic candidates, if approved, and existing and potential future products that compete with iluzanebart, VG- 3927 or any of our discovery programs; • our ability to commercialize iluzanebart, VG- 3927 or therapeutic candidates from any of our discovery programs, if approved, inside and outside of the U. S., either independently or working with third parties; • our ability to establish and maintain collaborations, licensing or other arrangements; • potential unforeseen business disruptions that increase our costs or expenses; • future accounting pronouncements or changes in our accounting policies; • the changing and volatile global economic and political environment, including inflation or political instability in particular foreign economies and markets; and • the impact of the current and future armed conflicts, including Russia and Ukraine and the armed conflict in ~~Israel and~~ the ~~Gaza strip~~ **Middle East** , on the global economy, including causing or contributing to global supply chain disruption, price fluctuations, including increased costs for raw materials, and other significant economic and social effects. The cumulative effect of these factors 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 our failing to meet the expectations of industry or financial analysts or investors for any period. If our operating results fall below the expectations of analysts or investors or below any forecasts we may provide to the market, or if the forecasts we provide to the market are below the expectations of analysts or investors, the price of our common stock could decline substantially. Such a stock price decline could occur even when we have met any previously publicly stated guidance we may provide. If we are unable to design and maintain effective internal control over financial reporting in the future, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock may decline. Ensuring that we have adequate internal control over financial reporting in place so that we can produce accurate financial statements on a timely basis is a costly and time- consuming effort that needs to be re- evaluated frequently. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Pursuant to the rules and regulations of the SEC regarding compliance with Section 404 of the Sarbanes- Oxley Act of 2002, we are required to furnish a report by our management on our internal control over financial reporting. However, while we remain an emerging growth company or a smaller reporting company with less than $ 100 million in revenue, we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. Failure to comply with the rules and regulations of the SEC could potentially subject us to sanctions or investigations by the SEC, the applicable stock exchange or other regulatory authorities, which would require additional financial and management resources. We have begun the process of compiling the system and processing documentation necessary to perform the evaluation needed to comply with the rules and regulations of the SEC in the future, but we may not be able to complete our evaluation, testing and any required remediation in a timely fashion. An independent assessment of the effectiveness of our internal control over financial reporting could detect deficiencies in our internal control over financial reporting that our management' s assessment might not. Undetected material weaknesses in our internal control over financial reporting could lead to financial statement restatements and require us to incur the expense of remediation. We can give no assurance that a material weakness in our internal controls over financial reporting will not be identified in the future. Maintaining adequate internal

control over financial reporting and ensuring that we can produce accurate financial statements on a timely basis may distract our officers and employees and entail substantial costs. Any failure to maintain that adequacy, or consequent inability to produce accurate financial statements on a timely basis, could increase our operating costs and harm our business. If we identify additional material weaknesses in our internal control over financial reporting; if we are unable to comply with the requirements of the SEC' s rules and regulations in a timely manner; or if we are unable to assert that our internal control over financial reporting is effective, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could decline, and we could also become subject to investigations by the stock exchange on which our common stock is listed, the SEC or other regulatory authorities, which could require additional financial and management resources. Failure or security compromises or ~~breaches~~ **incidents** of, loss or leakage of data from, or other disruptions in, our internal information technology systems and infrastructure, or those of our third- party CROs or other vendors, contractors or consultants, could result in a material disruption of our development programs, compromise sensitive information related to our business or prevent us from accessing critical information, potentially exposing us to liability or otherwise adversely affecting our business. We are increasingly dependent upon information technology systems, infrastructure and data to operate our business. In the ordinary course of business, we collect, store and transmit confidential or protected information (including but not limited to intellectual property, proprietary business information and personal information). We also have outsourced elements of our operations to third parties, and, as a result, we manage a number of third- party clinical research organizations (CROs), vendors, and other contractors and consultants who have access to and maintain our confidential or protected information, systems, and / or infrastructure. Despite the implementation of security measures, given their size and complexity and the increasing amounts of confidential or protected information that they maintain, our internal information technology systems and infrastructure and those of our third- party CROs, vendors and other contractors and consultants are vulnerable to breakdown or other damage or interruption from service interruptions, system malfunction, natural disasters, terrorism, war and telecommunication and electrical failures, as well as security compromises or breaches from inadvertent or intentional actions by our employees, third- party CROs, vendors, contractors, consultants, business partners and / or other third parties, or from cyber- attacks by malicious third parties (including the deployment of harmful malware, ransomware, digital extortion, business email compromise, and denial- of- service attacks, social engineering and other means to affect service reliability and threaten the confidentiality, integrity and availability of information, systems, or infrastructure), which may compromise our systems infrastructure, data, or that of our third- party CROs, vendors and other contractors and consultants, or lead to data compromise, misuse, misappropriation, or leakage. The risk of a security compromise, ~~breach~~ **incident** , or disruption, particularly through cyber- attacks or cyber intrusion, including by computer hackers, foreign governments, insider threats, and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. **Further, bad actors around the world use increasingly sophisticated methods, including the use of artificial intelligence (AI) systems, to engage in illegal activities, including security incidents, that can result in the theft and misuse of personal information, confidential information, and intellectual property.** Also, we have a hybrid work model, enabling our employees to split time between working from the office and working from home. As a result, we may have increased cyber security and data security risks, due to increased use of home wi- fi networks and virtual private networks, decreased physical oversight of employees, as well as increased disbursement of physical machines. While we implement ~~IT~~ **information technology** controls to reduce the risk of a cyber security or data security compromise or ~~breach~~ **incident** , there is no guarantee that these measures will be adequate to safeguard all systems, data, or infrastructure, especially with an increased number of employees working remotely. The techniques used by cyber criminals change and evolve frequently, may not be recognized until launched and can originate from a wide variety of sources, including outside groups such as external service providers, insider threats, organized crime affiliates, terrorist organizations or hostile foreign governments or agencies. Disruptions or security compromises or ~~breaches~~ **incidents** resulting in a loss of, or damage to, our data, systems, infrastructure, or applications, or those of our third- party CROs, vendors and other contractors and consultants, or inappropriate use, access, or disclosure of confidential, protected, or proprietary information, could generate liability and reputational damage and the further development and commercialization, if approved, of iluzanebart, VG- 3927 or any future therapeutic candidates could be delayed. The costs related to significant security compromises, ~~breaches~~ **incidents** , or disruptions could be material and not be covered by or exceed the limits of the cybersecurity insurance we maintain against such risks. We may have limited recourse for disruptions, compromises, or breaches of the information technology systems or infrastructure of our third- party CROs, vendors and other contractors and consultants, and we may have to expend significant resources to respond to, mitigate, and remediate the impact of such an event, and to develop and implement protections to prevent future events of this nature from occurring. Our data protection efforts and our investment in information technology do not preclude significant breakdowns, data leakages, ~~breaches~~ **incidents** , compromises, or vulnerabilities in our systems, or those of our third- party CROs, vendors and other contractors and consultants, or other cyber incidents that could have a material adverse effect upon our reputation, business, operations or financial condition. The loss of clinical trial data for iluzanebart, VG- 3927 or any other future clinical candidates could result in delays in our marketing approval efforts and significantly increase our costs to recover or reproduce the data. Furthermore, security ~~breaches~~ **incidents** , compromises, or significant disruptions of our internal information technology systems, data, or infrastructure, or those of our third- party CROs, vendors and other contractors and consultants, could result in the loss, misappropriation and / or unauthorized access, use, acquisition, or disclosure of, or the prevention of access to, confidential or protected information (including trade secrets or other intellectual property, proprietary business information and personal information), which could result in financial, legal, business and reputational harm to us. For example, any such event that leads to unauthorized access, use, acquisition, or disclosure of confidential, protected, or personal information, including personal information regarding our clinical trial subjects or employees, could harm our reputation directly, compel us to comply with federal and / or state breach notification laws and foreign law equivalents, subject us to mandatory corrective action, and

otherwise subject us to liability under laws and regulations that protect the privacy and security of protected information, including personal information, including through litigation or regulatory investigations or enforcement actions, which could result in significant legal and financial exposure and reputational damages that could potentially have an adverse effect on our business. We have in the past, and may in the future, rely on sales of our common shares through our at- the- market (ATM) offering program. Increased volatility and decreases in market prices of equity securities generally and of our common shares in particular may have an adverse impact on our willingness and / or ability to sell our common shares through our ATM ~~offering~~ **program** . Decreases in these sales could affect the cost or availability of equity capital, which could in turn have an adverse effect on our business, including current operations, future growth, revenues, net income and the market prices of our common shares. On March 21, 2023, we filed a Registration Statement on Form S- 3, as amended (the 2023 Shelf) with the SEC, which was declared effective on March 30, 2023 (File No. 333- 270710) in relation to the registration of common stock, preferred stock, debt securities, warrants and units of any combination thereof. We also simultaneously entered into an Open Market Sale Agreement (**the** Sale Agreement) with Jefferies LLC (the Sales Agent) to provide for the offering, issuance and sale of up to an aggregate amount of $ 100. 0 million of our common stock from time to time in " at- the- market " offerings under the 2023 Shelf and subject to the limitations thereof. Under the terms of the Sale Agreement, we agreed to pay the Sales Agent cash commissions of up to 3. 0 % of the gross proceeds of sales of common stock under the Sale Agreement. As of March ~~25~~ **11** , ~~2024~~ **2025** , we have sold ~~1~~ **8** , ~~000~~ **671** , ~~000~~ **793** shares of common stock under the ATM program and received aggregate net proceeds of $ ~~3~~ **22** . ~~2~~ **8** million. As of March ~~25~~ **11** , ~~2024~~ **2025** , approximately $ ~~96~~ **76** . ~~7~~ **5** million of our common stock remained available for issuance under our ATM program. Given the volatility in the capital markets, we may not be willing or able to raise additional equity capital through our ATM program. We may, therefore, need to turn to other sources of funding that may have terms that are not favorable to us, or reduce our business operations given capital constraints. In addition, sales of a substantial number of shares of our outstanding 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 of common stock intend to sell shares, could reduce the market price of our common stock. We cannot predict the effect that future sales of common stock or other equity- related securities would have on the market price of our common stock. Investors who purchase shares in this offering at different times will likely pay different prices, and so may experience different outcomes in their investment results. We will have discretion, subject to market demand, to vary the timing, prices and numbers of shares sold, and there is no minimum or maximum sales price. Investors may experience a decline in the value of their shares as a result of share sales made at prices lower than the prices they paid. Subject to certain limitations in the ~~sales~~ **Sale** ~~agreement~~ **Agreement** and compliance with applicable law, we have the discretion to deliver a placement notice to the Sales Agent at any time throughout the term of the Sale Agreement. The number of shares that are sold by the Sales Agent after delivering a placement notice will fluctuate based on the market price of our common stock during the sales period and limits we set with the Sales Agent in any instruction to sell shares, and the demand for our common stock during the sales period. Because the price per share of each share sold will fluctuate based on the market price of our common stock during the sales period, it is not possible at this stage to predict the number of shares or the gross proceeds to be raised in connection with those sales, if any, that will be ultimately issued. Risks Related to the Discovery, Development and Regulatory Approval of Our Therapeutic Candidates We are early in our development efforts. We have not successfully completed any late- stage clinical trials, and if we are unable to complete our current clinical trials or identify and advance additional therapeutic candidates through preclinical studies and clinical trials, obtain marketing approval and ultimately commercialize them, or experience significant delays in doing so, our business will be materially harmed. We are early in our development efforts, and we have not yet demonstrated our ability to successfully complete any late- stage clinical trials, including large- scale, pivotal clinical trials, obtain regulatory approvals, manufacture a commercial scale product, or arrange for a third party to do so on our behalf, or conduct sales and marketing activities necessary for successful commercialization. We have invested substantially all of our research efforts to date in identifying potential therapeutic candidates and conducting preclinical and clinical studies. As an early- ~~stage company~~ **clinical organization** , our experience in conducting clinical trials is limited. **Our lead** ~~We recently completed our first~~ clinical ~~trial~~ **candidate** , **iluzanebart, a TREM2 agonist, has been evaluated in** a Phase 1 healthy volunteer study **and is** ~~of iluzanebart, our lead clinical candidate. Iluzanebart, a TREM2 agonist,~~ currently ~~is~~ being studied in a Phase 2 clinical trial in patients with adult- onset leukoencephalopathy with axonal spheroids and pigmented glia (ALSP). In addition, we are conducting a non- interventional natural history study of patients with ALSP. In addition, we are developing VG- 3927, a novel small molecule TREM2 agonist **, for the treatment of common neurodegenerative diseases associated with microglial dysfunction, with initial development for the treatment of AD** . In ~~September~~ **January** ~~2023~~ **2025** , we ~~received notification~~ **reported completed data** from the ~~FDA regarding our IND application to evaluate VG- 3927. The IND for VG- 3927 is open and we have commenced dosing study subjects and our~~ Phase 1 clinical trial **evaluating VG- 3927 for the potential treatment of AD** ~~in healthy volunteers has been allowed to proceed with a partial clinical hold related to maximum exposure limit~~ . We may never advance these programs beyond their current clinical trials, advance any other current or future therapeutic candidates to an IND filing or receive clearance from the FDA to commence additional clinical trials for our current or future therapeutic candidates. Our ability to generate product revenue, which we do not expect will occur for many years, if ever, will depend heavily on the successful development and eventual commercialization of our therapeutic candidates, which may never occur. We currently generate no revenue from sales of any product, and we may never be able to develop or commercialize a marketable product. As a general matter, commencing clinical trials in the U. S. is subject to acceptance by the FDA of an IND and finalizing the trial design based on discussions with the FDA and other regulatory authorities. For the FDA to accept an IND, we must complete toxicology and other preclinical studies pursuant to Good Laboratory Practices (GLPs), which may not be successful, or may take longer than we expect. The FDA may require us to complete additional preclinical studies **,** or we may be required to satisfy other FDA requests prior to commencing clinical trials, and such requests may not currently be known or anticipated, which may cause the start of our ~~first~~

future clinical trials to be delayed or prevent us from conducting clinical trials. Even after we receive and incorporate guidance from regulatory authorities, the FDA or other regulatory authorities could disagree that we have satisfied their requirements to commence any clinical trial or change their position on the acceptability of our trial design or the clinical endpoints selected, which may require us to complete additional preclinical studies or clinical trials, impose stricter conditions than we currently expect or may prevent us from conducting clinical trials. There are equivalent processes and risks applicable to clinical trial applications in other countries, including the United Kingdom and countries in the European Union (EU). The success of therapeutic candidates we may identify and develop will depend on many factors, including: • timely and successful completion of preclinical studies, including toxicology studies, biodistribution studies and minimally efficacious dose studies in animals, where applicable, in accordance with FDA' s GLPs and any additional regulatory requirements from foreign regulatory authorities; • successful initiation, patient recruitment, enrollment and retention and completion of clinical trials, including under the FDA' s Good Clinical Practices (GCPs) and any additional regulatory requirements from foreign regulatory authorities; • positive results from our clinical trials that support a finding of safety and effectiveness and an acceptable risk- benefit profile in the intended populations; • sufficiency of our financial and other resources to complete the necessary preclinical studies and clinical trials; • receipt of regulatory marketing approvals from applicable regulatory authorities; • effective INDs or comparable foreign applications that allow commencement of our planned clinical trials or future clinical trials for any therapeutic candidates we may develop; • establishment of arrangements with current Good Manufacturing Practice (cGMP) compliant third- party manufacturers for clinical supply and, where applicable, commercial manufacturing capabilities; • establishment, maintenance, defense and enforcement of patent, trademark, trade secret and other intellectual property protection or regulatory exclusivity for any therapeutic candidates we may develop; • commercial launch of any therapeutic candidates we may develop, if approved, whether alone or in collaboration with others; • acceptance of the benefits and use of our therapeutic candidates we may develop, including method of administration, if and when approved, by patients, the medical community and third- party payors; • our ability to compete effectively with other therapies and treatment options; • demonstration of an acceptable safety, tolerability and efficacy profile of any therapeutic candidates we may develop following approval; and • establishment and maintenance of healthcare coverage and adequate reimbursement by payors. If we do not succeed in one or more of these factors in a timely manner or at all, we could experience significant delays or an inability to successfully commercialize any therapeutic candidates we may develop, which would materially harm our business. If we are unable to advance our therapeutic candidates to clinical development, obtain regulatory approval and ultimately commercialize our therapeutic candidates, or experience significant delays in doing so, our business will be materially harmed. We may expend our limited resources to pursue particular therapeutic candidates or indications, such as our initial focus on developing iluzanebart for ALSP and VG-3927 for AD, and fail to capitalize on therapeutic candidates or indications that may be more profitable or for which there is a greater likelihood of success. As such, our business is highly dependent on the clinical advancement of our programs and is especially dependent on the success of our clinical candidates. One of our strategies is to identify and pursue clinical development of therapeutic candidates beyond iluzanebart and VG- 3927. Given our limited human capital and financial resources, we must focus on research programs and therapeutic candidates that we identify for specific indications. As a result, we may forego or delay pursuit of opportunities with other therapeutic candidates or for indications other than ALSP and AD that later prove to have greater commercial potential. We are highly dependent on the success of the ongoing and future clinical trials of iluzanebart, our lead clinical candidate, and an ongoing related natural history study, the outcomes of which are uncertain, to further develop our pipeline candidates for common neurodegenerative disease starting from patient segments with known genetic variations associated with microglial dysfunction. If either of our clinical candidates encounters safety, efficacy, supply or manufacturing problems, developmental delays, regulatory or commercialization issues or other problems, the value of our pipeline could be greatly diminished **,** and our development plans could be curtailed and our business would be significantly harmed. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future research and development programs and therapeutic candidates for specific indications may not yield any commercially viable therapeutic candidates. If we do not accurately evaluate the commercial potential or target market for a particular therapeutic candidate or misread trends in the biopharmaceutical industry, in particular for neurodegenerative diseases, we may relinquish valuable rights to that therapeutic candidate through collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such therapeutic candidate. At any time and for any reason, we may determine that one or more of our discovery programs or preclinical or clinical therapeutic candidates or programs does not have sufficient potential to warrant the allocation of resources toward such program or therapeutic candidate. Accordingly, we may choose not to develop a potential therapeutic candidate or elect to suspend, deprioritize or terminate one or more of our discovery programs or preclinical or clinical therapeutic candidates or programs. Suspending, deprioritizing or terminating a program or therapeutic candidate in which we have invested significant resources, means we will have expended resources on a program that will not provide a full return on our investment and may have missed the opportunity to have allocated those resources to potentially more productive uses, including existing or future programs or therapeutic candidates. We have concentrated a substantial portion of our research and development efforts on the treatment of neurodegenerative diseases, a field that has seen limited success in drug development. Further, our therapeutic candidates are based on new approaches, which makes it difficult to predict the time and cost of therapeutic candidate development and subsequently obtaining regulatory approval. We have focused our research and development efforts on therapeutic approaches for neurodegenerative diseases. Collectively, efforts by biopharmaceutical companies in the field of neurodegenerative diseases have seen limited success in drug development **, and multiple investigational AD therapies have not succeeded in clinical trials such as solanezumab, gantenerumab, and idalopirdine. More recently, a former competitor ceased development of a TREM2 agonist product candidate for AD after it failed to reach the primary endpoint in a Phase 2 clinical trial** . No

effective therapeutic options are available for patients with ALSP, and limited options exist for AD and other neurodegenerative diseases. Our future success is highly dependent on the successful development of our therapeutic candidates for treating neurodegenerative diseases. Developing our therapeutic candidates for treatment of neurodegenerative diseases subjects us to a number of challenges, including demonstrating safety and efficacy and obtaining regulatory approval from the FDA and other regulatory authorities who have only a limited set of precedents to rely on. We are pursuing a precision medicine approach to developing a broad range of microglia- targeted therapies for patients with rare, genetically defined neurodegenerative diseases and subsequently advance into neurodegenerative diseases affecting larger patient populations. ~~By targeting~~ **The initial indications we** ~~rare~~ **are** ~~genetically defined~~ **pursuing are** neurodegenerative **diseases that have strong genetic , mechanistic, and biochemical associations to microglial dysfunction and then utilize findings from these efforts to inform expansion into broader populations and additional indications of neurodegenerative diseases. We believe** our strategy ~~is~~ **has the potential** to **mitigate** ~~advance our pipeline by reducing~~ downstream translational risk ~~, efficiently generating clinical proof of mechanism~~ **as we seek to advance our programs through early development** and ~~proof of concept and expanding~~ into **the clinic** ~~multiple neurodegenerative indications where microglia- based therapeutics may have meaningful impact on disease progression and patient lives~~ . This strategy may not prove to be successful. We cannot be sure that our approach will yield satisfactory therapeutic products that are safe and effective, scalable, or profitable. We currently conduct **,** and in the future **,** may conduct clinical trials that utilize an " open- label " trial design, which are subject to various limitations that may exaggerate therapeutic effect or influence reporting of adverse events as patients in open- label clinical trials are aware when they are receiving treatment. We currently conduct **,** and in the future **,** may conduct clinical trials that utilize an " open- label " trial design. An " open- label " clinical trial is one where both the patient and investigator know whether the patient is receiving the investigational therapeutic candidate or an existing approved drug or placebo. Most typically, open- label clinical trials test only the investigational therapeutic candidate and sometimes may do so ~~at~~ **with** different ~~dose levels~~ **dosing regimens** . Open- label clinical trials are subject to various limitations that may exaggerate any therapeutic effect as patients in open- label clinical trials are aware when they are receiving treatment. Open- label clinical trials may be subject to a " patient bias " where, on one hand, patients perceive their symptoms to have improved merely due to their awareness of receiving an experimental treatment. On the other hand, patients who know that they are receiving an experimental treatment may expect and report negative outcomes, which may influence the reporting of adverse events during an open- label trial. In addition, open- label clinical trials may be subject to an " investigator bias " where those assessing and reviewing the physiological outcomes of the clinical trials are aware of which patients have received treatment and may interpret the information of the treated group more favorably given this knowledge. In any event, results from an open- label trial may not be predictive of future clinical trial results, including blinded and / or controlled trials, that test any of our therapeutic candidates. We may fail to demonstrate safety and efficacy to the satisfaction of applicable regulatory authorities, which could prevent us from commercializing any therapeutic candidates we develop on a timely basis, if at all. The risk of failure in developing therapeutic candidates is high. It is impossible to predict when or if any therapeutic candidate would prove effective or safe in humans or will receive regulatory approval. Before obtaining marketing approval from regulatory authorities for the sale of any therapeutic candidate, we must complete preclinical development, submit an IND or foreign equivalent to permit initiation of clinical studies, and then conduct extensive clinical trials to demonstrate the safety and efficacy of the therapeutic candidate in humans. We have limited experience as a company in preparing and submitting regulatory filings and have not previously submitted a new drug application (NDA), or a biologics license application (BLA), or other comparable foreign regulatory submission for any therapeutic candidate. Before we can commence clinical trials for a therapeutic candidate, we must complete extensive preclinical testing and studies that support our INDs and other regulatory filings. We cannot be certain of the timely identification of a therapeutic candidate or the completion or outcome of our preclinical testing and studies and cannot predict whether the FDA or other regulatory authorities will accept any additional proposed clinical programs or whether the outcome of our preclinical testing and studies will ultimately support the further development of any therapeutic candidates. Conducting preclinical testing is a lengthy, time- consuming and expensive process. The length of time may vary substantially according to the type, complexity and novelty of the program, and often can be several years or more per program. As a result, we cannot be sure that we will be able to submit INDs or foreign equivalents for our preclinical programs on the timelines we expect, if at all, and we cannot be sure that submission of INDs or foreign equivalents will result in the FDA or other regulatory authorities allowing clinical trials to begin. Clinical trials are expensive, difficult to design and implement and can take many years to complete, and their outcome is inherently uncertain. A failure of one or more clinical trials can occur at any stage of testing, which may result from a multitude of factors, including, but not limited to, flaws in trial design, dose selection issues, patient enrollment criteria and failure to demonstrate favorable safety or efficacy traits. No therapeutic has been approved for the treatment of ALSP and the regulatory pathway for approval of a therapeutic for ALSP is uncertain. Given the lack of precedent, we may encounter difficulties in identifying and establishing clinical endpoints that FDA would consider clinically meaningful. **Through our** ~~Moreover, we have had limited~~ interactions with the FDA ~~and~~ **to date we** cannot be certain how many clinical trials of iluzanebart, VG- 3927 or any other therapeutic candidates will be required or how such **future** trials should be designed. Even after the FDA has received and commented on the design for our clinical trials, the ~~Agency~~ **agency** may disagree with our clinical trial design and our interpretation of data from clinical trials ~~,~~ or may change the requirements for approval. Consequently, despite future regulatory interactions and advice, we may be unable to successfully and efficiently execute and complete necessary clinical trials in a way that leads to regulatory submission and approval of any of our therapeutic candidates. Additionally, because our initial target indication for iluzanebart, our lead clinical candidate, is a rare disease, we may face challenges identifying patients and enrolling clinical trials, which may delay or prevent completion of such trials. Clinical trials also may fail to demonstrate that our therapeutic candidates are safe for humans and effective for indicated uses. Successful completion of clinical trials is a prerequisite to submitting an NDA or BLA to the FDA or similar marketing applications to other regulatory authorities for each therapeutic

candidate. Even if the clinical trials are successful, changes in marketing approval policies during the development period, changes in or the enactment or promulgation of additional statutes, regulations or guidance or changes in regulatory review for each submitted product application may cause delays in the approval or rejection of an application. Other events that may prevent successful enrollment, initiation or timely completion of clinical development include: • we may be unable to generate sufficient preclinical, toxicology or other in vivo or in vitro data to support the initiation or completion of clinical trials; • delays in reaching a consensus with regulatory authorities on trial design ~~, including any additional clinical holds~~ ; • delays in reaching agreement on acceptable terms with prospective CROs and clinical trial sites; • delays in opening clinical trial sites or obtaining required institutional review board (IRB) or independent ethics committee approval, or the equivalent review groups for sites outside the U. S., at each clinical trial site; • imposition of a clinical hold by regulatory authorities, including as a result of a serious adverse event or after an inspection of our clinical trial operations or trial sites; • challenges identifying, enrolling and retaining participants in clinical trials; • negative or inconclusive results observed in clinical trials, including failure to demonstrate statistical significance, safety, purity or potency, which could lead us, or cause regulators to require us, to conduct additional clinical trials or abandon product development programs; • failure by us, any CROs we engage or any other third parties to adhere to clinical trial requirements and clinical trial protocols or to perform in accordance with the FDA' s GCPs; • failure by physicians to adhere to ~~delivery~~ **study** protocols leading to variable results; • delays in the testing, validation, manufacturing and delivery of any therapeutic candidates we may develop to the clinical sites, including delays by third parties with whom we have contracted to perform certain of those functions; • failure of our third- party contractors to comply with regulatory requirements or to meet their contractual obligations to us in a timely manner, or at all; • delays in having patients complete participation in a trial or return for post- treatment follow- up; • issues with our clinical trial sites or patients dropping out of a trial; • we may need additional clinical trial sites; • selection of clinical endpoints that require prolonged periods of clinical observation or analysis of the resulting data; • inability of selected endpoints to capture therapeutic benefit of the therapeutic candidate; • occurrence of serious adverse events associated with the therapeutic candidate that are viewed to outweigh its potential benefits; • occurrence of serious adverse events associated with a therapeutic candidate in development by another company, which are viewed to outweigh its potential benefits, and which may negatively impact the perception of our therapeutic candidate due to a similarity in technology or approach; • changes in regulatory requirements and guidance that require amending or submitting new clinical protocols; • the FDA or other regulatory authorities may require us to submit additional data such as long- term toxicology studies or impose other requirements, including ~~additional~~ clinical holds, before permitting us to initiate a clinical trial; • changes in the legal or regulatory regimes domestically or internationally related to patient rights and privacy; or • lack of adequate funding to continue the clinical trial. We may encounter substantial delays in the commencement, enrollment or completion of our ongoing or planned clinical trials, which could prevent us from receiving necessary regulatory approvals or commercializing any therapeutic candidates we develop on a timely basis, if at all. We could encounter delays in our development plans if a clinical trial is suspended, placed on clinical hold or terminated by us, the IRBs of the institutions in which such trials are being conducted, or the FDA or other regulatory authorities or recommended for suspension or termination by the Data Safety Monitoring Board (DSMB) for such trial. A suspension or termination may be imposed due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, inspection of the clinical trial operations or trial site by the FDA or other regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a product candidate or treatment, failure to establish or achieve clinically meaningful trial endpoints, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. ~~We initiated our Phase 1 trial of VG- 3927 in healthy volunteers in October 2023, and this trial is subject to a partial clinical hold related to maximum exposure limit. Although we are working with the FDA regarding the partial clinical hold, we may be unsuccessful in our efforts to lift the partial clinical hold. If we are unable to reach agreement with the FDA to lift the partial clinical hold, we may be unable to complete our clinical trials of VG- 3927 in the U. S., and may experience delays in our clinical development plans and may incur additional clinical development costs, any of which could delay or impair our ability to obtain U. S. regulatory approval for VG- 3927.~~ Additionally, if the results of any clinical trials are inconclusive, we may be required to perform additional clinical trials to support approval. Many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our therapeutic candidates. Failure to locate and enroll a sufficient number of eligible patients to participate in clinical trials as required by the FDA or similar regulatory authorities outside the U. S. may delay or prevent us from initiating or continuing clinical trials for our therapeutic candidates. Because the target patient populations for some of our therapeutic candidates, in particular for rare diseases such as the ones on which we are initially focused, are relatively small, it may be difficult to successfully identify patients for inclusion in clinical trials. This is especially important as we may offer to certain volunteers of our natural history study enrollment in ~~our~~ **potential future** interventional clinical ~~trial~~ **trials** for ALSP and therefore any potential delays in enrollment in the natural history study could have adverse consequences for our clinical development program for iluzanebart. In addition, we may experience delays or disruptions in the initiation of or enrollment in our clinical trials due to external factors such as changes in local site or IRB policies, availabilities or changes of site staff, or a public health crisis. Furthermore, some of our competitors have ongoing clinical trials for therapeutic candidates that treat the same indications we plan to target with our therapeutic candidates, such as AD and rare leukoencephalopathies and leukodystrophies ~~, such as MLD and Krabbe~~ , and may in the future initiate trials in our lead clinical indication, ALSP. Accordingly, patients who would otherwise be eligible for our clinical trials may instead enroll in clinical trials of our competitors' therapeutic candidates. Patient enrollment or trial completion may be affected by other factors including: • clinicians' and patients' perceived risks and benefits of the therapeutic candidate under trial, particularly therapeutic candidates developed using a novel and unproven therapeutic approach, such as iluzanebart or VG- 3927, in relation to available or investigational drugs; • clinicians' misdiagnosis of patients with existing neurodegenerative diseases in our

targeted indications and our inability to recruit these patients successfully; • design of the trial protocol; • efforts to facilitate timely enrollment in clinical trials; • eligibility and exclusion criteria; • availability of competing therapies and clinical trials; • severity of the disease or disorder under investigation; • proximity and availability of clinical trial sites for prospective patients; • ability to obtain and maintain patient consent; • size of the patient population required for analysis of the trial' s primary endpoints; • ability to recruit clinical trial investigators with the appropriate competencies and experience; • risk that enrolled patients will drop out before completion of the trial; • performance of third - party vendors, including CROs; • patient referral practices of physicians; and • ability to monitor patients adequately during and after treatment. Our inability to identify patients appropriate for enrollment in our observational and interventional clinical trials, or to enroll a sufficient number of patients in such trials, would result in significant delays and could require us to abandon one or more clinical trials altogether. Enrollment delays in our clinical trials may result in increased development costs for our therapeutic candidates, which would cause the value of our company to decline and limit our ability to obtain additional financing. If we are unable to include symptomatic patients with the applicable genetic mutations and / or variations, this could limit our ability to seek participation in the FDA' s expedited development programs, including breakthrough therapy designation and fast track designation, or otherwise to seek to accelerate clinical development and regulatory timelines. Even if we are able to enroll a sufficient number of patients for our clinical trials, we may have difficulty retaining patients in our clinical trials. In our ongoing and planned clinical trials that will include a placebo group, some of patients may perceive that they are not receiving the therapeutic candidate being tested, and they may decide to withdraw from our clinical trials to pursue other alternative therapies rather than continue the trial with the perception that they are receiving placebo. Difficulty enrolling or retaining a sufficient number of patients to conduct our clinical trials, may require us to delay, limit or terminate clinical trials, any of which would harm our business, financial condition, results of operations and prospects. Our product development costs will increase if we experience delays in clinical testing or marketing approvals. Our preclinical studies or clinical trials may not begin as planned, may need to be restructured or may not be completed on schedule, or at all. Significant preclinical study or clinical trial delays also could shorten any periods during which we may have the exclusive right to commercialize our therapeutic candidates and may allow our competitors to bring products to market before we do, potentially impairing our ability to successfully commercialize our therapeutic candidates and harming our business and results of operations. Use of our therapeutic candidates could be associated with side effects, adverse events or other properties or safety risks, which could delay or preclude approval, cause us to suspend or discontinue clinical trials, abandon a therapeutic candidate, limit the commercial profile of an approved label or result in other significant negative consequences that could severely harm our business, prospects, operating results and financial condition. We have not yet completed late- stage clinical trials of any of our therapeutic candidates, and our understanding of the clinical safety profile of these candidates is still limited to our in- progress Phase 2 clinical trial, Phase 1 clinical trial and pre- clinical studies. There may be serious adverse events or undesirable side effects related to our therapeutic candidates. To our knowledge, no approved products target TREM2. Moreover, it is impossible to predict when or if any therapeutic candidates we may develop will prove safe in humans. As is the case with biopharmaceuticals generally, it is likely that there may be side effects and adverse events associated with use of our therapeutic candidates. Results of our clinical trials could reveal a high and unacceptable severity and prevalence of side effects or unexpected characteristics. Undesirable side effects caused by our therapeutic candidates could cause us or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or comparable foreign regulatory authorities. The drug- related side effects could affect patient recruitment or the ability of enrolled patients to complete the trial or result in potential product liability claims. Any of these occurrences may significantly harm our business, financial condition and prospects. Further, clinical trials by their nature utilize a sample of the potential patient population. With a limited number of patients and limited duration of exposure, rare and severe side effects of our therapeutic candidates may only be uncovered with a significantly larger number of patients exposed to the therapeutic candidate. Any undesirable side effects or unexpected characteristics associated with our therapeutic candidates in clinical trials may lead us to elect to abandon their development or limit their development to more narrow uses or subpopulations in which the undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk- benefit perspective, which may limit the commercial expectations for the therapeutic candidate, if approved. We may also be required to modify our trial plans based on findings after we commence our clinical trials. Many compounds that initially showed promise in early- stage testing have later been found to cause side effects that prevented further development of the compound. In addition, regulatory authorities may draw different conclusions or require additional testing to confirm these determinations. As we test our therapeutic candidates in larger, longer and more extensive clinical trials, or as the use of these therapeutic candidates becomes more widespread if they receive regulatory approval, illnesses, injuries, discomforts and other adverse events that were observed in earlier trials, as well as conditions that did not occur or went undetected in previous trials, may be reported. Any findings of such side effects later in development or following any approval may harm our business, financial condition and prospects significantly. Patients treated with our therapeutics, if approved, may experience previously unreported adverse reactions, and the FDA or other regulatory authorities may ask for additional safety data as a condition of, or in connection with, our efforts to obtain approval of our therapeutic candidates. If any of our therapeutic candidates reach the market, safety problems may thereafter occur or be identified and we may make the decision or be required by regulatory authorities to amend the labeling of our therapeutics, recall our therapeutics or even withdraw approval for our therapeutics, or, if applicable, pause or terminate any ongoing studies. If there are safety concerns or serious adverse events associated with any therapeutic candidates we may develop, we may: • be delayed in obtaining marketing approval for therapeutic candidates, if at all; • obtain approval for indications or patient populations that are not as broad as intended or desired; • obtain approval with labeling that includes significant use or distribution restrictions or safety warnings; • be subject to changes in the way the product is administered; • be required to perform additional clinical trials to support approval or be subject to additional post- marketing testing requirements; • have regulatory authorities withdraw, or suspend, their approval of the product or impose

restrictions on its distribution in the form of a modified risk evaluation and mitigation strategy (REMS); • be subject to the addition of labeling statements, such as warnings or contraindications; • be sued; or • experience damage to our reputation. Our therapeutic candidates are subject to extensive regulation and compliance requirements, which is costly and time- consuming, and such regulation may cause unanticipated delays or prevent the receipt of the required approvals to commercialize our therapeutic candidates. The clinical research, development, manufacturing, labeling, packaging, storage, record- keeping, advertising, promotion, import, export, marketing, distribution and adverse event reporting, including the submission of safety and other information, of our therapeutic candidates are subject to extensive regulation by the FDA in the U. S. and by comparable foreign regulatory authorities in foreign markets. In the U. S., we are not permitted to market our therapeutic candidates until we receive regulatory approval from the FDA. The process of obtaining regulatory approval is expensive, often takes many years following the commencement of clinical trials and can vary substantially based upon the type, complexity and novelty of the therapeutic candidates involved, as well as the target indications and patient population. Approval policies or regulations may change, and the FDA has substantial discretion in the drug approval process, including the ability to delay, limit or deny approval of a therapeutic candidate for many reasons. **In addition, the U. S. Supreme Court' s July 2024 decision to overturn prior established case law giving deference to regulatory agencies' interpretations of ambiguous statutory language has introduced uncertainty regarding the extent to which FDA' s regulations, policies and decisions may become subject to increasing legal challenges, delays, and / or changes.** Despite the time and expense invested in clinical development of therapeutic candidates, regulatory approval is never guaranteed. Neither we nor any current or future collaborator is permitted to market any of our therapeutic candidates in the U. S. until we receive approval from the FDA. The FDA or comparable foreign regulatory authorities can delay, limit or deny approval of a therapeutic candidate for many reasons, including: • we or any of our current or future collaborators may be unable to demonstrate that a therapeutic candidate is safe and effective, and that therapeutic candidate' s clinical and other benefits outweigh its safety risks; • serious and unexpected drug- related side effects may be experienced by participants in our clinical trials or by individuals using drugs similar to our therapeutic candidates; • such authorities may disagree with the design or implementation of our or our current or future collaborators' clinical trials; • negative or ambiguous results from our clinical trials or results may not meet the level of statistical significance required by the FDA or comparable foreign regulatory agencies for approval; • such authorities may not accept clinical data from trials which are conducted at clinical facilities or in countries where the standard of care is potentially different from that of the U. S.; • such authorities may disagree with our interpretation of data from preclinical studies or clinical trials; • such authorities may not agree that the data collected from clinical trials of our therapeutic candidates are acceptable or sufficient to support the submission of an NDA or BLA or other submission or to obtain regulatory approval in the U. S. or elsewhere, and such authorities may impose requirements for additional preclinical studies or clinical trials; • such authorities may disagree regarding the formulation, labeling and / or the specifications of our therapeutic candidates; • approval may be granted only for indications that are significantly more limited than what we apply for and / or with other significant restrictions on distribution and use; • such authorities may find deficiencies in the manufacturing processes, approval policies or facilities of our third- party manufacturers with which we or any of our current or future collaborators contract for clinical and commercial supplies; • regulations of such authorities may significantly change in a manner rendering our or any of our potential future collaborators' clinical data insufficient for approval; or • such authorities may not accept a submission due to, among other reasons, the content or formatting of the submission. With respect to foreign markets, approval procedures vary among countries and, in addition to the foregoing risks, may involve additional product testing, administrative review periods and agreements with pricing authorities. In addition, events raising questions about the safety of certain marketed biopharmaceuticals may result in increased cautiousness by the FDA and comparable foreign regulatory authorities in reviewing new drugs based on safety, efficacy or other regulatory considerations and may result in significant delays in obtaining regulatory approvals. Any delay in obtaining, or inability to obtain, applicable regulatory approvals would prevent us or any of our potential future collaborators from commercializing our therapeutic candidates. The results of early preclinical studies and prior clinical trials are not necessarily predictive of the results of later preclinical studies and any subsequent clinical trials of our therapeutic candidates, and interim, topline and preliminary data from our clinical trials that we announce or publish from time to time may change as more data become available and are subject to audit and verification procedures that could result in material changes in the final data. The results from early preclinical studies of a therapeutic candidate may not predict the results of later preclinical studies and any clinical trials of the therapeutic candidate. Therapeutic candidates in later stages of clinical trials may fail to show the desired safety and efficacy characteristics despite having progressed through preclinical studies and initial clinical trials. In particular, while we have conducted certain preclinical studies of iluzanebart, and although iluzanebart has been studied in a Phase 1 clinical trial in healthy volunteers and is being studied in a Phase 2 clinical trial in ALSP patients, we have not completed any trials in ALSP patients, and we do not know whether its performance in its prior clinical trial and preclinical studies will be indicative of the performance of iluzanebart in ALSP patients. Similarly, although VG- 3927 has been studied in preclinical studies and ~~is being studied in~~ a **recently completed** Phase 1 clinical trial ~~in healthy volunteers~~, we do not know whether its performance in preclinical studies **or its prior clinical trial** will be indicative of the performance of VG- 3927 in ~~healthy volunteers~~ **future clinical trials** or **in** AD patients, nor do we know whether performance of our other potential therapeutic candidates in preclinical studies will be indicative of their performance in clinical trials. The positive results we have observed for our therapeutic candidates in early, GLP and non- GLP preclinical studies, animal and in vitro models may not be predictive of our future clinical trials in humans. This may be a result of technical challenges unique to that program or due to biology risk, which is unique to every program. As we progress our programs through clinical development, there may be new technical challenges that arise that cause an entire program to fail. Furthermore, for some indications that we are considering or pursuing there are no animal models that adequately mirror the human disease to predict any level of positive results. Unexpected observations or toxicities observed in these studies, or in IND- enabling studies for any of our other development

programs, could delay clinical trials for iluzanebart, VG- 3927 or our other development programs. From time to time, we may publicly disclose interim, preliminary or topline data from our clinical trials, which are based on a preliminary analysis of then-available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. We also make assumptions, estimations, calculations and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. Topline data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published. As a result, topline data should be viewed with caution until the final data are available. Additionally, interim, topline, or preliminary data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. Adverse differences between preliminary, topline, or interim data and final data could significantly harm our business prospects. Further, others, including regulatory agencies, may not accept or agree with our assumptions, estimates, calculations, conclusions or analyses or may interpret or weigh the importance of data differently, which could impact the value of the particular program, the approvability or commercialization of the particular therapeutic candidate or product and the value of our company in general. A number of companies in the biopharmaceutical and biotechnology industries have suffered significant setbacks in clinical development even after achieving promising results in earlier studies, and companies that have believed their therapeutic candidates performed satisfactorily in preclinical studies and clinical trials have nonetheless failed to obtain FDA approval. In addition, the information we choose to publicly disclose regarding a particular study or clinical trial will be based on what is typically extensive information, and you or others may not agree with what we determine is the material or otherwise appropriate information to include in our disclosure, and any information we determine not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular product, therapeutic candidate or our business. If the topline data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, our therapeutic candidates may be harmed, which could harm our business, operating results, prospects or financial condition. We may not be successful in our efforts to expand our pipeline of therapeutic candidates. We believe the central role that microglia play in sensing and coordinating the response to tissue damage and disease provides therapeutic opportunities for many neurodegenerative diseases, either through TREM2 activation or potentially other microglia targets. Over time, we plan to expand our pipeline, either through internal discovery and development, or through strategic collaborations or alliances with academic organizations, pharmaceutical or biotechnology companies. Although our research and development efforts to date have resulted in a pipeline of potential programs and therapeutic candidates, we may not be able to identify other microglia targets and develop therapeutic candidates. We may also pursue opportunities to acquire or in- license additional businesses, technologies or therapeutic candidates, form strategic alliances or create joint ventures with third parties to complement or augment our existing business. However, we may not be able to identify any therapeutic candidates for our pipeline through such acquisition or in- license. Even if we are successful in continuing to build and expand our pipeline, the potential therapeutic candidates that we identify may not be suitable for clinical development. For example, they may be shown to have harmful side effects or other characteristics that indicate that they are unlikely to be drugs that will be successful in clinical trials or receive marketing approval and achieve market acceptance. If we do not successfully develop and commercialize therapeutic candidates, we will not be able to obtain drug revenues in future periods, which likely would result in significant harm to our financial position and adversely affect our stock price. Clinical trial and product liability and other lawsuits against us or our contract development and manufacturing partners (CDMOs) could divert our resources, could cause us to incur substantial liabilities and could limit commercialization of any therapeutic candidates we may develop. We face an inherent risk of clinical trial and product liability and other exposure related to the testing of any therapeutic candidates we develop in clinical trials, and we will face an even greater risk if we commercially sell any products that we may develop. We additionally rely on the services of CDMOs who manufacture our therapeutic candidates or conduct clinical trials on our behalf. Our agreements with CDMOs may require us to indemnify the CDMOs in the event of a third- party claim arising from the use or manufacture of our therapeutic candidates, which could divert our resources and incur substantial liabilities, possibly prior to the potential commercialization of our therapeutic candidates. The use of therapeutic candidates by us or our CDMOs in clinical trials, and the sale of any approved products in the future, may expose us to liability claims. These claims against us or our CDMOs might be made by patients who use the product, purchasers of our products, healthcare providers, pharmaceutical companies or others selling such products. If we cannot successfully defend ourselves or our CDMOs against claims that our therapeutic candidates or products caused injuries, we will incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in: • decreased demand for any therapeutic candidates we may develop; • injury to our reputation and significant negative media attention; • withdrawal of clinical trial participants and inability to continue clinical trials; • initiation of investigations by regulators; • significant costs to defend any related litigation; • substantial monetary awards to trial participants or patients; • product recalls, withdrawals or labeling, marketing or promotional restrictions; • loss of revenue; • exhaustion of any available insurance and our capital resources; • decline in our stock price; • reduced resources of our management to pursue our business strategy; and • the inability to commercialize any therapeutic candidates we may develop. If we expand our clinical trial activities or if we commence commercialization of any therapeutic candidates , we will need to increase our insurance coverage beyond what is currently maintained. Insurance coverage is increasingly expensive. We may not be able to maintain insurance coverage at a reasonable cost or in an amount adequate to satisfy any liability that may arise. If and when coverage is secured, our insurance policies may also have various exclusions and we may be subject to a product liability claim for which we have no coverage. Even if our agreements with any future corporate collaborators entitle us to indemnification against losses, such indemnification may not be available or adequate should any claim arise, nor would such indemnity insulate us from potential reputational damage. If a successful clinical trial or product liability claim or series of claims is brought against us for uninsured

liabilities or in excess of insured liabilities, our assets may not be sufficient to cover such claims and our business operations could be impaired. We may develop our current or future therapeutic candidates in combination with other therapies, which would expose us to additional risks. We may develop our current or potential future therapeutic candidates in combination with one or more currently approved therapies or therapies in development. Even if any of our current or future therapeutic candidates were to receive marketing approval or be commercialized for use in combination with other existing therapies, we would continue to be subject to the risks that the FDA, EMA or other comparable foreign regulatory authorities could revoke approval of the therapy used in combination with any of our therapeutic candidates, or safety, efficacy, manufacturing or supply issues could arise with these existing therapies, which could affect the status of our product candidates used in combination with these therapies. In addition, it is possible that in the future, existing therapies with which our therapeutic candidates are then approved for use could themselves fall out of favor or be relegated to later lines of treatment. This could result in the need to identify other combination therapies for our therapeutic candidates **,** or our own products being removed from the market or being less successful commercially. We may also evaluate our current or future therapeutic candidates in combination with one or more other therapies that have not yet been approved for marketing by the FDA, EMA or comparable foreign regulatory authorities. We will not be able to market and sell any therapeutic candidate in combination with any such unapproved therapies that do not ultimately obtain marketing approval. Furthermore, we cannot be certain that we will be able to obtain a steady supply of such therapies for use in developing combinations with our therapeutic candidates on commercially reasonable terms or at all. Any failure to obtain such therapies for use in clinical development and the expense of purchasing therapies in the market may delay our development timelines, increase our costs and jeopardize our ability to develop our therapeutic candidates as commercially viable therapies. If the FDA, EMA or other comparable foreign regulatory authorities do not approve or withdraw their approval of these other therapies, or if safety, efficacy, commercial adoption, manufacturing or supply issues arise with the therapies we choose to evaluate in combination with any of our current or future therapeutic candidates, we may be unable to obtain approval of or successfully market any one or all of the current or future therapeutic candidates we develop. Additionally, if the third- party providers of therapies or therapies in development used in combination with our current or future therapeutic candidates are unable to produce sufficient quantities for clinical trials or for commercialization of our current or future therapeutic candidates, or if the cost of combination therapies are prohibitive, our development and commercialization efforts would be impaired, which would have an adverse effect on our business, financial condition, results of operations and growth prospects. Where appropriate, we plan to ~~secure~~ **pursue** approval from the FDA, EMA or comparable foreign regulatory authorities through the use of expedited approval pathways, such as accelerated approval. If we are unable to obtain such approvals, we may be required to conduct additional preclinical studies or clinical trials beyond those that we contemplate, which could increase the expense of obtaining, and delay the receipt of, necessary marketing approvals. Even if we receive accelerated approval from the FDA, EMA or comparable regulatory authorities, if our confirmatory trials do not verify clinical benefit, or if we do not comply with rigorous post- marketing requirements, the FDA, EMA or such other regulatory authorities may seek to withdraw the accelerated approval. Where possible, we plan to pursue accelerated development strategies in areas of high unmet need. We **currently plan to pursue accelerated approval for iluzanebart from the FDA for the treatment of ALSP, and we** may **also** seek an accelerated approval pathway for one or more of our therapeutic candidates from the ~~FDA,~~ EMA or comparable foreign regulatory authorities. Under the accelerated approval provisions in the Federal Food, Drug, and Cosmetic Act, and the FDA' s implementing regulations, the FDA may grant accelerated approval to a therapeutic candidate designed to treat a serious or life- threatening condition that provides meaningful therapeutic benefit over available therapies upon a determination that the therapeutic candidate has an effect on a surrogate endpoint or intermediate clinical endpoint that is reasonably likely to predict clinical benefit. The FDA considers a clinical benefit to be a positive therapeutic effect that is clinically meaningful in the context of a given disease, such as irreversible morbidity or mortality. For the purposes of accelerated approval, a surrogate endpoint is a marker, such as a laboratory measurement, radiographic image, physical sign, or other measure that is thought to predict clinical benefit ~~,~~ but is not itself a measure of clinical benefit. An intermediate clinical endpoint is a clinical endpoint that can be measured earlier than an effect on irreversible morbidity or mortality that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit. The accelerated approval pathway may be used in cases in which the advantage of a new drug over available therapy may not be a direct therapeutic advantage, but is a clinically important improvement from a patient and public health perspective. If granted, accelerated approval is usually contingent on the sponsor' s agreement to conduct, in a diligent manner, additional post- approval confirmatory studies to verify and describe the drug' s clinical benefit. Under the Food and Drug Omnibus Reform Act of 2022 (FDORA), the FDA is permitted to require, as appropriate, that a post- approval confirmatory study or studies be underway prior to approval or within a specified time period after the date of approval for a product granted accelerated approval. FDORA also gives the FDA increased authority to withdraw approval of a drug or biologic granted accelerated approval on an expedited basis if the sponsor fails to conduct such studies in a timely manner, send status updates on such studies to the FDA every 180 days to be publicly posted by the agency, or if such post- approval studies fail to verify the drug' s predicted clinical benefit. The FDA is empowered to take action, such as issuing fines, against companies that fail to conduct with due diligence any post- approval confirmatory study or submit timely reports to the agency on their progress. Prior to seeking accelerated approval, we ~~would~~ **plan to** seek feedback from the FDA, EMA or comparable foreign regulatory authorities and ~~would otherwise~~ evaluate our ability to seek and receive such accelerated approval. ~~There can be~~ **Regulatory authorities may** ~~no~~ **not agree with** ~~assurance that after our evaluation of the feedback and other factors we will decide to pursue or~~ **our proposed clinical** ~~submit an NDA or BLA for accelerated approval or any other form of expedited~~ development **plans** , **and** ~~review or approval. Similarly,~~ there can be no assurance that after ~~subsequent~~ **our evaluation of the feedback and other factors we will decide to pursue or submit an NDA or BLA for accelerated approval or any other form of expedited development, review or approval. For example, following our Type C meetings with the FDA, the agency stated it was open to considering the accelerated approval**

pathway for iluzanebart in ALSP and we continue to engage with the agency regarding this possibility. However, as we continue to engage with FDA and receive feedback from the ~~FDA~~ **Agency** , **there can be no assurance that we will continue to pursue or apply for accelerated approval or any other form of expedited development, review or approval, including from** EMA or comparable foreign regulatory authorities ~~, we will continue to pursue or apply for accelerated approval or any other form of expedited development, review or approval~~ , even if we initially decide to do so. Furthermore, if we decide to submit an application for accelerated approval, there can be no assurance that such application will be accepted or that any approval will be granted on a timely basis, or at all. The FDA, EMA or other comparable foreign regulatory authorities could also require us to conduct further preclinical or clinical studies prior to considering our application or granting approval of any type, including, for example, if other products are approved via the accelerated pathway and subsequently converted by FDA to full approval. A failure to obtain accelerated approval or any other form of expedited development, review or approval for our therapeutic candidate would result in a longer time period to commercialization of such therapeutic candidate, could increase the cost of development of such therapeutic candidate and could harm our competitive position in the marketplace. Moreover, even if we are able to obtain accelerated approval for any of our therapeutic candidates, there is no guarantee that post- approval studies will be able to confirm the clinical benefit, which could cause FDA to withdraw our approval. We have received fast track designation and orphan drug designation for iluzanebart. We may in the future seek these and other designations, such as breakthrough therapy designation and / or priority review from the FDA or similar designations from other regulatory authorities for one or more of our therapeutic candidates. Even if one or more of our therapeutic candidates hold or in the future receive any of these designations, we may be unable to obtain or maintain the benefits associated with such designation. The FDA has established various designations to facilitate more rapid and efficient development and approval of certain types of drugs. Such designations include fast track designation, breakthrough therapy designation, priority review and orphan drug designation. Fast track designation is designed to facilitate the development and expedite the review of therapies for serious conditions that fill an unmet medical need. Programs with fast track designation may benefit from early and frequent communications with the FDA, potential priority review and the ability to submit a rolling application for regulatory review. Fast track designation applies to both the therapeutic candidate and the specific indication for which it is being studied. Although we have received fast track designation for iluzanebart, if iluzanebart or any of our therapeutic candidates that may in the future receive fast track designation do not continue to meet the criteria for fast track designation, or if our clinical trials are delayed, suspended or terminated, or put on clinical hold due to unexpected adverse events or issues with clinical supply or due to other issues, we will not receive the benefits associated with the fast track program. Fast track designation alone does not guarantee qualification for the FDA' s priority review procedures. A breakthrough therapy, on the other hand, is defined as a drug or biologic that is intended, alone or in combination with one or more other drugs or biologics, to treat a serious or life-threatening disease or condition and preliminary clinical evidence indicates that the drug or biologic may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints. For therapeutic candidates that have been designated as breakthrough therapies, interaction and communication between the FDA and the sponsor of the trial can help to identify the most efficient path for clinical development while minimizing the number of patients placed in ineffective control regimens. Designation as a breakthrough therapy is within the discretion of the FDA, and drugs designated as breakthrough therapies by the FDA may also be eligible for other expedited approval programs, including accelerated approval and priority review. Even if one or more of our therapeutic candidates qualify as breakthrough therapies pursuant to FDA standards, the FDA may later decide that the product no longer meets the conditions for qualification. Thus, even though we may seek breakthrough therapy designation for one or more of our current or future therapeutic candidates, there can be no assurance that we will receive breakthrough therapy designation. Even in the absence of obtaining fast track and / or breakthrough therapy designations, a sponsor can seek priority review at the time of submitting a marketing application. The FDA may designate a product for priority review if it is a product that treats a serious condition and, if approved, would provide a significant improvement in safety or effectiveness when compared with other available therapies. Significant improvement may be illustrated by evidence of increased effectiveness in the treatment of a condition, elimination or substantial reduction of a treatment- limiting adverse reaction, documented enhancement of patient compliance that may lead to improvement in serious outcomes, or evidence of safety and effectiveness in a new subpopulation. A priority review designation is intended to direct overall attention and resources to the evaluation of such applications, and to shorten the FDA' s goal for taking action on a marketing application from ten months to six months. Priority review designation may be rescinded if a product no longer meets the qualifying criteria. Regulatory authorities in some jurisdictions, including the U. S. and the EU, may also designate drugs for relatively small patient populations as orphan drugs. Under the Orphan Drug Act, the FDA may designate a therapeutic candidate as an orphan drug if it is a drug intended to treat a rare condition, which is generally defined as a patient population of fewer than 200, 000 individuals annually in the U. S., or a patient population greater than 200, 000 in the U. S. where there is no reasonable expectation that the cost of developing the drug will be recovered from sales in the U. S. In the EU, a product can be designated as an orphan medicinal product by the European Commission if ~~it~~ **its sponsor can establish that: (1) the product** is intended for the diagnosis, prevention or treatment of a life- threatening or chronically debilitating condition **, (2) either (i) such condition** ~~affecting~~ **affects** ~~not~~ **no** more than five in **ten thousand** ~~10, 000~~ persons in the ~~EU or where~~ **European Union when the application is made** , **or (ii)** without the benefits derived from orphan status, it is unlikely that the marketing of the drug in the ~~EU~~ **European Union** would generate sufficient return to justify the necessary investment in its development ~~. Legislation~~ **, and (3) there exists no satisfactory method of diagnosis, prevention or treatment of the condition in question that** has been ~~proposed~~ **authorized in the European Union or, if such method exists, the product would be of significant benefit to those affected** by ~~the European Commission~~ that **condition** ~~, if implemented, has the potential in some cases to shorten the ten-year period of orphan marketing exclusivity~~ . In the U. S., orphan drug designation entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages and user- fee waivers, and it may entitle the

therapeutic to exclusivity in the U. S. and the European Union. Regulatory authorities may not grant our requests for orphan designation, or may require submission of additional data before making such determination. For example, even though we obtained orphan drug designation from the FDA in the U. S. and an orphan medicinal product designation in the European Union for iluzanebart, we may not be able to obtain orphan drug designation from other health authorities or for other product candidates in the future. Further, even after obtaining orphan drug designation for a therapeutic candidate, including iluzanebart, we may not be able to obtain or maintain orphan drug exclusivity for that therapeutic candidate. **Legislation has been proposed by the European Commission that, if approved and implemented, has the potential in some cases to shorten the ten- year period of orphan marketing exclusivity.** If any of our programs or therapeutic candidates receive fast track, breakthrough therapy, priority review, or orphan drug designation by the FDA or similar designations by other regulatory authorities, and even when received, there is no assurance that we will receive any benefits from such programs or that we will continue to meet the criteria to maintain such designation. Even if we obtain such designations, we may not experience a faster development process, review or approval compared to conventional FDA procedures. A fast track, breakthrough therapy, priority review, or orphan drug designation does not ensure that a therapeutic candidate will receive marketing approval or that approval will be granted within any particular timeframe. In addition, the FDA may withdraw any such designation if it believes that the designation is no longer supported by data from our clinical development program. Risks Related to Our Reliance on Third Parties We may be required to make significant payments under our license agreement with Amgen Inc. for certain TREM2 agonists, and, if we breach our license agreement with Amgen related to these TREM2 agonists, we could lose the ability to continue the development and commercialization of TREM2 agonists. In July 2020, we acquired an exclusive, royalty- bearing license to certain intellectual property rights owned or controlled by Amgen, to commercially develop, manufacture, use, distribute and sell therapeutic products containing compounds that bind to TREM2 (the Amgen Agreement). Under the Amgen Agreement, ~~in~~ **as initial** consideration for the license, we ~~made~~ **paid** an upfront payment of $ 500, 000 and also issued ~~6~~ **8** , ~~928~~ **891** , ~~566~~ **659** shares of our Series A preferred stock to Amgen ~~at~~ **; all of our** ~~the~~ **then outstanding** ~~time of the initial closing with a subsequent 1, 963, 093 shares of our Series A~~ preferred stock ~~issued~~ **converted into common stock** at ~~the time of the milestone closing~~ **our initial public offering in January 2022** . As additional consideration for the license, we are required to pay Amgen up to $ 80. 0 million in the aggregate upon the achievement of specified regulatory milestones for the first monoclonal antibody TREM2 agonist (mAb) product and the first small molecule TREM2 agonist product and aggregate milestone payments of up to $ 350. 0 million upon the achievement of specific commercial milestones across all such mAb products and small molecule products. No regulatory or commercial milestones have been achieved to date under the license agreement. We are also required to pay tiered royalties of low to mid- single- digit percentages on annual net sales of the products covered by the license. If milestone or other non- royalty obligations become due, we may not have sufficient funds available to meet our obligations, which will materially adversely affect our business operations and financial condition. For more information on the terms of the license agreement with Amgen, see" Business- Exclusive License Agreement with Amgen Inc." We are dependent on patents, know- how and proprietary technology in- licensed from Amgen. Our commercial success depends upon our ability to develop, manufacture, market and sell our therapeutic candidate or any future therapeutic candidates and use our and our licensor' s proprietary technologies without infringing the proprietary rights of third parties. Amgen may have the right to terminate the license agreement in full in the event we materially breach or default in the performance of any of the obligations under the license agreement. A termination of the license agreement with Amgen could result in the loss of significant rights and could harm our ability to develop and commercialize our therapeutic candidates. Disputes may also arise between us and Amgen, as well as any future potential licensors, regarding intellectual property subject to a license agreement, including: • the scope of rights granted under the license agreement and other interpretation- related issues; • whether and the extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement; • our right to sublicense patent and other rights to third parties under collaborative development relationships; • our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of our therapeutic candidate and what activities satisfy those diligence obligations; and • the ownership of inventions and know- how resulting from the joint creation or use of intellectual property by our licensors and us and our partners. If disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected therapeutic candidates. In addition, the Amgen Agreement under which we currently license intellectual property is complex, and certain provisions may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property, or increase what we believe to be our financial or other obligations under the Amgen Agreement, either of which could have a material adverse effect on our business, financial condition, results of operations, and prospects. For example, under the Amgen Agreement, Amgen shall have the right to terminate the agreement if we are deemed to have directly or indirectly conducted, enabled or participated in any distracting program (as defined in the Amgen Agreement), and do not elect to add the program to the agreement. There could be disagreements on whether a certain program would be considered as a distracting program. Moreover, if disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangement on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected therapeutic candidates, which could have a material adverse effect on our business, financial conditions, results of operations, and prospects. We are generally also subject to all of the same risks with respect to protection of intellectual property that we license, as we are for intellectual property that we own, which are described below. If we or our licensors fail to adequately protect this intellectual property, our ability to commercialize products could suffer. We rely, and expect to continue to rely, on third parties to conduct some or all aspects of our product manufacturing, research and preclinical and clinical testing, and these third parties may not perform satisfactorily. We do not expect to independently conduct all aspects of our product manufacturing, research and

preclinical and clinical testing. We currently rely, and expect to continue to rely, on third parties with respect to many of these items, including contract manufacturing organizations (CMOs) for the manufacturing of any therapeutic candidates we test in preclinical or clinical development, as well as CROs for the conduct of our preclinical testing and research and CROs for the conduct of our ongoing and planned clinical trials. For instance, iluzanebart is a monoclonal antibody and is produced from a recombinant cell line only by permitted CMOs as set forth in the Amgen Agreement, the replacement of which would need to be approved by Amgen. We have established non- exclusive relationships with these CMOs for the manufacturing of iluzanebart drug substance and drug product, and other third parties for testing, fill finish, and packaging and labeling. Any of these third parties may terminate their engagements with us at any time. A need to enter into alternative arrangements could delay our product development activities. Delays in CMO production of iluzanebart drug substance or drug product would delay our ability to conduct and complete clinical trials. In addition, these third- party manufacturers may not be able to comply with cGMP regulations or similar regulatory requirements outside the United States. Our failure, or the failure of third- party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of product candidates or medicines, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of our medicines and harm our business and results of operations. Our reliance on these third parties for research and development activities will reduce our control over these activities but will not relieve us of our responsibility to ensure compliance with all required regulations and study protocols. For example, for therapeutic candidates that we develop and commercialize on our own, we will remain responsible for ensuring that each of our IND- enabling studies and clinical trials are conducted in accordance with the study plan and protocols. Moreover, the FDA requires us to comply with GLPs for preclinical studies intended to support INDs and applications for marketing authorization, and with GCPs for conducting, recording and reporting the results of clinical trials to assure that data and reported results are credible and accurate and that the rights, integrity and confidentiality of trial participants are protected. Regulatory authorities enforce these GCP requirements through periodic inspections of trial sponsors, clinical investigators and trial sites. We also are required to register applicable clinical trials and post the results of completed clinical trials on a government- sponsored database, ClinicalTrials. gov within specified timeframes. Failure to do so can result in fines, adverse publicity and civil and criminal sanctions. Although we depend heavily on these parties, we control only certain aspects of their activity and therefore, we cannot be assured that these third parties will adequately perform all of their contractual obligations to us in compliance with regulatory and other legal requirements and our internal policies and procedures. Nevertheless, we are responsible for ensuring that each of our studies is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards, and our reliance on third parties does not relieve us of our regulatory responsibilities. If we or any of our CROs or other third parties, including trial sites, fail to comply with applicable GLPs or GCPs, the preclinical and clinical data generated in our preclinical studies and clinical trials may be deemed unreliable and the FDA, EMA or comparable foreign regulatory authorities may require us to suspend, place on clinical hold or terminate these trials or require us to perform additional preclinical studies or clinical trials before approving our marketing applications. We cannot assure you that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials complies with GCP regulations, or that applicable preclinical studies comply with GLPs. In addition, our clinical trials must be conducted with product produced under conditions that comply with the FDA' s current Good Manufacturing Practices (cGMP). Our failure to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process. Although we intend to design the clinical trials for any therapeutic candidates we may develop, CROs will conduct some or all of the clinical trials. As a result, many important aspects of our development programs, including their conduct and timing, will be outside of our direct control. Our reliance on third parties to conduct future preclinical studies and clinical trials will also result in less direct control over the management of data developed through preclinical studies and clinical trials than would be the case if we were relying entirely upon our own staff. Communicating with outside parties can also be challenging, potentially leading to mistakes as well as difficulties in coordinating activities. Outside parties may: • have staffing difficulties; • fail to comply with contractual obligations; • experience regulatory compliance issues; • undergo changes in priorities or become financially distressed; or • form relationships with other entities, some of which may be our competitors. These factors may materially adversely affect the willingness or ability of third parties to conduct our preclinical studies and clinical trials and may subject us to unexpected cost increases that are beyond our control. We expect to have to negotiate budgets and contracts with CROs and trial sites, which may result in delays to our development timelines and increased costs. In addition, any third parties conducting our clinical trials will not be our employees, and except for remedies available to us under our agreements with such third parties, we cannot control whether or not they devote sufficient time and resources to our clinical programs. If these CROs, and any other third parties we engage do not perform preclinical studies and clinical trials in a satisfactory manner, if the quality or accuracy of the data they obtain is compromised due to the failure to adhere to our protocols, or if they breach their obligations to us or fail to comply with regulatory requirements, the development, regulatory approval and commercialization of any therapeutic candidates we may develop may be delayed, we may not be able to obtain regulatory approval and commercialize our therapeutic candidates or our development programs may be materially and irreversibly harmed. If we are unable to rely on preclinical and clinical data collected by our CROs and other third parties, we could be required to repeat, extend the duration of or increase the size of any preclinical studies or clinical trials we conduct , and this could significantly delay commercialization and require greater expenditures. These third parties may also have relationships with other commercial entities, including our competitors, for whom they may also be conducting clinical trials or other product development activities, which could affect their performance on our behalf. If these third parties do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the data they obtain is compromised due to the failure to adhere to our protocols or regulatory requirements or for other reasons, our clinical trials may be extended, delayed or

terminated and we may not be able to complete development of, obtain regulatory approval of or successfully commercialize our therapeutic candidates. As a result, our financial results and the commercial prospects for our therapeutic candidates would be harmed, our costs could increase and our ability to generate revenue could be delayed. Our failure or any failure by these third parties to comply with these regulations, including to implement and maintain adequate standard operating procedures in order to comply, or to recruit a sufficient number of patients may require us to repeat clinical trials, which would delay the regulatory approval process. Moreover, our business may be implicated if any of these third parties violates federal or state fraud and abuse or false claims laws and regulations or healthcare privacy and security laws. For any violations of laws and regulations during the conduct of our preclinical studies and clinical trials, we could be subject to warning letters or enforcement action that may include civil penalties up to and including criminal prosecution. If any of our relationships with these third- party CROs or others terminate, we may not be able to enter into arrangements with alternative CROs or other third parties or to do so on commercially reasonable terms. Switching or adding additional CROs involves additional cost and requires management time and focus. In addition, there is a natural transition period when a new CRO begins work. As a result, delays may occur, which can materially impact our ability to meet our desired clinical development timelines. Though we carefully manage our relationships with our CROs, there can be no assurance that we will not encounter similar challenges or delays in the future or that these delays or challenges will not have a material adverse impact on our business, financial condition and prospects. If third parties do not successfully carry out their contractual duties, meet expected deadlines or conduct our studies in accordance with regulatory requirements or our stated study plans and protocols, we will not be able to complete, or may be delayed in completing, the preclinical studies and clinical trials required to support future IND submissions and approval of any therapeutic candidates we may develop. We are dependent on third- party vendors to provide certain licenses, products and services and our business and operations, including clinical trials, could be disrupted by problems with or challenges faced by our significant third- party vendors. We engage a number of third- party suppliers and service providers to supply critical goods and services, such as contract research services, contract manufacturing services and information technology services. Disruptions to the business, financial stability or operations of these suppliers and service providers, including due to strikes, labor disputes or other disruptions to the workforce, for instance, if, as a result of a pandemic or government policy, employees are not able to come to work, or to their willingness and ability to produce or deliver such products or provide such services in a manner that satisfies the requirements put forth by the authorities, or in a manner that satisfies our own requirements, could affect our ability to develop and market our future therapeutic candidates on a timely basis. If these suppliers and service providers were unable or unwilling to continue to provide their products or services in the manner expected, or at all, we could encounter difficulty finding alternative suppliers. Even if we are able to secure appropriate alternative suppliers in a timely manner, costs for such products or services could increase significantly. Any of these events could adversely affect our results of operations and our business. We depend, and may continue to depend on single- source suppliers for some of the components and materials used in the therapeutic candidates we are developing. We depend, and may continue to depend, on single- source suppliers for some of the components and materials used in the therapeutic candidates we are developing. For example, we currently rely on a master services agreement with FUJIFILM (as defined in " Management' s Discussion and Analysis of Financial Condition and Results of Operations ") pursuant to which FUJIFILM is the sole provider to us of certain research, development, testing and manufacturing services for certain of our product candidates, including iluzanebart (the FUJIFILM Agreement). In the event the FUJIFILM Agreement is terminated, our ability to meet the desired clinical development timelines may be materially impacted and our business will be implicated. We cannot ensure that any of our suppliers or service providers will remain in business, have sufficient capacity or supply to meet our needs or that they will not be purchased by one of our competitors or another company that is not interested in continuing to work with us. Our use of single- source suppliers of raw materials, components, key processes and finished goods could expose us to several risks, including disruptions in supply, price increases or late deliveries. There are, in general, relatively few alternative sources of supply for substitute components. These vendors may be unable or unwilling to meet our future demands for our clinical trials or commercial sale. Establishing additional or replacement suppliers for these components, materials and processes could take a substantial amount of time and it may be difficult to establish replacement suppliers who meet regulatory requirements. Any disruption in supply from any single- source supplier or service provider could lead to supply delays or interruptions which would damage our business, financial condition, results of operations and prospects. If we have to switch to a replacement supplier, the manufacture and delivery of any therapeutic candidates we may develop could be interrupted for an extended period, which could adversely affect our business. Establishing additional or replacement suppliers, if required, may not be accomplished quickly. If we are able to find a replacement supplier, the replacement supplier would need to be qualified and may require additional regulatory authority approval, which could result in further delay. While we seek to maintain adequate inventory of the single source components and materials used in our therapeutics, any interruption or delay in the supply of components or materials, or our inability to obtain components or materials from alternate sources at acceptable prices in a timely manner, could impair our ability to meet the demand for our investigational medicines. We **have in the past, and** may **in the future,** enter into collaborations, licenses and other similar arrangements with third parties for the research, development and commercialization of certain of the therapeutic candidates we may develop. If any such arrangements are not successful, we may not be able to capitalize on the market potential of those therapeutic candidates. We **have in the past, and** may **in the future,** seek third- party collaborators for the research, development and commercialization of certain of the therapeutic candidates we may develop **. For example, in June 2024, in connection with an equity investment, we provided Genzyme Corporation, a wholly- owned subsidiary of Sanofi, with a right of first negotiation for an exclusive license, grant or transfer of rights to research, develop, manufacture and commercialize our small molecule TREM2 agonist program, including our clinical candidate, VG- 3927. We cannot predict whether Genzyme Corporation will exercise such rights, or, if it does, whether we will reach an agreement with Genzyme Corporation, or if any such agreement will be beneficial to us** . If we enter into any such arrangements with any

third parties, we will likely have limited control over the amount and timing of resources that our partners dedicate to the development or commercialization of any therapeutic candidates we may seek to develop with them. Our ability to generate revenues from these arrangements will depend on the ability of such collaborators to successfully perform the functions assigned to them in these arrangements. We cannot predict the success of any arrangement that we enter into. Collaborations involving our research programs or any therapeutic candidates we may develop pose numerous risks to us, including the following: • collaborators may not pursue development and commercialization of any therapeutic candidates we may develop or may elect not to continue or renew development or commercialization programs based on clinical trial results, changes in the collaborator' s strategic focus or available funding or external factors such as an acquisition that diverts resources or creates competing priorities; • collaborators may delay programs, preclinical studies or clinical trials, provide insufficient funding for programs, preclinical studies or clinical trials, stop a preclinical study or clinical trial or abandon a therapeutic candidate, repeat or conduct new clinical trials or require a new formulation of a therapeutic candidate for clinical testing; • collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with any therapeutic candidates we may develop if the collaborators believe that competitive products are more likely to be successfully developed or can be commercialized under terms that are more economically attractive than ours; • collaborators may be acquired by a third party having competitive products or different priorities, causing the emphasis on our product development or commercialization program under such collaboration to be delayed, diminished or terminated; • collaborators would have significant discretion in determining the efforts and resources that they will apply to these collaborations; • collaborators may not perform their obligations as expected; • collaborators with marketing and distribution rights to one or more products may not commit sufficient resources to the marketing and distribution of such product or products; • collaborators may not properly obtain, maintain, enforce or defend our intellectual property or proprietary rights or may use our proprietary information in such a way as to invite litigation that could jeopardize or invalidate our proprietary information or expose us to potential litigation; • if a collaborator of ours is involved in a business combination, the collaborator might deemphasize or terminate the development or commercialization of any therapeutic candidate licensed to it by us; • disputes may arise between the collaborators and us that result in the delay or termination of the research, development, or commercialization of any therapeutic candidates we may develop or that result in costly litigation or arbitration that diverts management attention and resources; • we may lose certain valuable rights under certain circumstances, including if we undergo a change of control; • collaborations may be terminated and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable therapeutic candidates we may develop; • collaboration agreements may not lead to development or commercialization of therapeutic candidates in the most efficient manner or at all; and • our collaborators' business or operations could be disrupted due to a pandemic or other reasons outside of our control, which could have an adverse impact on their development and commercialization efforts or the prospects of our collaboration. If our collaborations do not result in the successful development and commercialization of therapeutic candidates, or if one of our collaborators terminates its agreement with us, we may not receive any future research funding or milestone or royalty payments pursuant to the collaboration arrangement. If we do not receive the funding we expect under these agreements, our development of therapeutic candidates could be delayed, and we may need additional resources to develop therapeutic candidates. In addition, if one of our collaborators terminates its agreement with us, we may find it more difficult to find a suitable replacement collaborator or attract new collaborators, and our development programs may be delayed or the perception of us in the business and financial communities could be adversely affected. Furthermore, all of the risks relating to product development, regulatory approval and commercialization described in this Annual Report apply to the activities of our collaborators. These relationships, or those like them, may require us to incur non- recurring and other charges, increase our near- and long- term expenditures, issue securities that dilute our existing stockholders, or disrupt our management and business. If we license rights to any therapeutic candidates we or our collaborators may develop, we may not be able to realize the benefit of such transactions if we are unable to successfully integrate them with our existing operations and company culture. Risks Related to Our Intellectual Property If we are unable to obtain and maintain patent protection for our therapeutic programs and other proprietary technologies we develop, or if the scope of the patent protection obtained is not sufficiently broad, our competitors could develop and commercialize products and technology similar or identical to ours, and our ability to successfully commercialize our therapeutic programs and other proprietary technologies we may develop may be adversely affected. Our success depends in large part on our ability to obtain and maintain patent protection in the U. S. and other countries with respect to our therapeutic programs and other proprietary technologies we may develop. In order to protect our proprietary position, we have filed and intend to file additional patent applications in the U. S. and abroad relating to our therapeutic programs and other proprietary technologies we may develop; however, there can be no assurance that any such patent applications will issue as granted patents or that a granted patent will provide sufficient coverage for our therapeutic programs. If we are unable to obtain or maintain patent protection with respect to our therapeutic programs and other proprietary technologies we may develop, our business, financial condition, results of operations and prospects could be materially harmed. The patent prosecution process is expensive, time- consuming and complex, and we may not be able to file, prosecute, maintain, enforce, or license all necessary or desirable patent applications at a reasonable cost or in a timely manner. It is also possible that we will fail to identify patentable aspects of our research and development output in time to obtain patent protection. Although we enter into non- disclosure and confidentiality agreements with parties who have access to confidential or patentable aspects of our research and development output, such as our employees, corporate collaborators, outside scientific collaborators, CROs, contract manufacturers, consultants, advisors and other third parties, any of these parties may breach the agreements and disclose such output before a patent application is filed, thereby jeopardizing our ability to seek patent protection. In addition, our ability to obtain and maintain valid and enforceable patents depends on whether the differences between our inventions and the prior art allow our inventions to be patentable over the prior art. Furthermore, publications of discoveries in the scientific literature often lag behind the actual discoveries, and

patent applications in the U. S. and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain that we or our licensors were the first to make the inventions claimed in any of our owned or licensed patents or pending patent applications, or that we or our licensors were the first to file for patent protection of such inventions. The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has been the subject of much litigation in recent years. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Our patent applications may not result in patents being issued which protect our therapeutic programs and other proprietary technologies we may develop or which effectively prevent others from commercializing competitive technologies and products. In particular, our ability to stop third parties from making, using, selling, offering to sell, or importing products that infringe our intellectual property will depend in part on our success in obtaining and enforcing patent claims that cover all of our technology, inventions and improvements. Our issued patents in the U. S. or other major markets may not cover all of our technologies or therapeutic candidates. With respect to both licensed and company- owned intellectual property, we cannot be sure that patents will be granted with respect to any of our pending patent applications or with respect to any patent applications filed by us in the future. Moreover, even issued patents do not provide us with the right to practice our technology in relation to the commercialization of our therapeutics. The area of patent and other intellectual property rights in biotechnology is an evolving one with many risks and uncertainties, and third parties may have blocking patents that could be used to prevent us from commercializing our patented therapeutic candidates and practicing our proprietary technology. Our issued patents as well as patents that may issue in the future that we own or in- license may be challenged, invalidated, or circumvented, which could limit our ability to stop competitors from marketing related products or limit the length of the term of patent protection that we may have for our therapeutic candidates. Furthermore, our competitors may independently develop similar technologies. Additionally, issuance of a patent is not conclusive as to its inventorship, scope, validity, or enforceability and our patents may be challenged in the courts or patent offices in the U. S. and abroad. We may be subject to a third- party pre- issuance submission of prior art to the U. S. Patent and Trademark Office (USPTO) or in other jurisdictions, or become involved in opposition, derivation, revocation, reexamination, post- grant and inter partes review, or other similar proceedings challenging our patent rights. An adverse determination in any such submission, proceeding or litigation could reduce the scope of, or invalidate or render unenforceable, our patent rights, allow third parties to commercialize our therapeutic programs and other proprietary technologies we may develop and compete directly with us, without payment to us, or result in our inability to manufacture or commercialize products without infringing third- party patent rights. Such proceedings also may result in substantial cost and require significant time from our scientists and management, even if the eventual outcome is favorable to us. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, regardless of the outcome, it could dissuade companies from collaborating with us to license, develop or commercialize current or future therapeutic candidates. Our rights to develop and commercialize our therapeutic candidates are subject in part to the terms and conditions of a license granted to us by a third party. If we fail to comply with our obligations under our intellectual property license agreement, license agreements that we enter into in the future, or otherwise experience disruptions to our business relationships with our current or any future licensors, we could lose intellectual property rights that are important to our business. We are and expect to continue to be reliant upon third- party licensors for certain patent and other intellectual property rights that are important or necessary to the development of our therapeutic programs, therapeutic candidates, and proprietary technologies. For example, we rely on the Amgen Agreement for a license to technologies necessary for our monoclonal antibody TREM2 agonist program, including iluzanebart and related molecules, intellectual property and manufacturing know- how, and our small molecule agonist program, including VG- 3927, which includes a portfolio of approximately 1, 000 compounds. The Amgen Agreement imposes, and we expect that any future license agreement will impose, specified diligence, milestone payments, royalty, commercialization, development and other obligations on us and require us to meet development timelines, or to exercise diligent or commercially reasonable efforts to develop and commercialize licensed products, in order to maintain the licenses. Furthermore, our licensors have, or may in the future have, the right to terminate a license if we materially breach the agreement and fail to cure such breach within a specified period or in the event we undergo certain bankruptcy events. In spite of our best efforts, our current or any future licensors might conclude that we have materially breached our license agreements and might therefore terminate the license agreements. If our license agreements are terminated, we may lose our rights to develop and commercialize therapeutic candidates and technology, lose patent protection, experience significant delays in the development and commercialization of our therapeutic candidates and technology, and incur liability for damages. If these in- licenses are terminated, or if the underlying intellectual property fails to provide the intended exclusivity, our competitors or other third parties could have the freedom to seek regulatory approval of, and to market, products and technologies identical or competitive to ours and we may be required to cease our development and commercialization of certain of our therapeutic candidates and technology. In addition, we may seek to obtain additional licenses from our licensors and, in connection with obtaining such licenses, we may agree to amend our existing licenses in a manner that may be more favorable to the licensors, including by agreeing to terms that could enable third parties, including our competitors, to receive licenses to a portion of the intellectual property that is subject to our existing licenses and to compete with any therapeutic candidates we may develop and our technology. Any of the foregoing could have a material adverse effect on our competitive position, business, financial condition, results of operations and prospects. Disputes may arise regarding intellectual property subject to a licensing agreement, including: • the scope of rights granted and obligations imposed under the license agreement and other interpretation- related issues; • our or our licensors' ability to obtain, maintain and defend intellectual property and to enforce intellectual property rights against third parties; • the extent to which our technology, therapeutic candidates and processes infringe, misappropriate or otherwise violate the intellectual property of the licensor that is not subject to the license agreement; • the sublicensing of patent and other intellectual property rights under our license agreements; • our diligence, development, regulatory, commercialization, financial or other obligations under the license

agreement and what activities satisfy those diligence obligations; • the inventorship and ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our current or future licensors and us and our partners; and • the priority of invention of patented technology. In addition, any current or future license agreements to which we are a party, including our license agreement with Amgen, are likely to be complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our diligence, development, regulatory, commercialization, financial or other obligations under the relevant agreement. In addition, if disputes over intellectual property that we have licensed or any other dispute related to our license agreements prevent or impair our ability to maintain our current license agreements on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected therapeutic candidates and technology. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects. License agreements we may enter into in the future may be non- exclusive. Accordingly, third parties may also obtain non- exclusive licenses from such licensors with respect to the intellectual property licensed to us under such license agreements. Accordingly, these license agreements may not provide us with exclusive rights to use such licensed patent and other intellectual property rights, or may not provide us with exclusive rights to use such patent and other intellectual property rights in all relevant fields of use and in all territories in which we may wish to develop or commercialize our technology and any therapeutic candidates we may develop in the future. Moreover, if some of our in- licensed patent and other intellectual property rights in the future become subject to third - party interests such as co- ownership and we are unable to obtain an exclusive license to such third- party co- owners' interest, in such patent and other intellectual property rights, the third- party co- owners may be able to license their rights to other third parties, including our competitors, and our competitors could market competing products and technology. Additionally, we or our licensors may need the cooperation of any such co- owners of our licensed patent and other intellectual property rights in order to enforce them against third parties, and such cooperation may not be provided to us or our licensors. Additionally, there could be instances where we may not have complete control over the preparation, filing, prosecution, maintenance, enforcement and defense of patents and patent applications that we license from third parties. In such instances, it is possible that our licensors' filing, prosecution and maintenance of the licensed patents and patent applications, enforcement of patents against infringers or defense of such patents against challenges of validity or claims of enforceability may be less vigorous than if we had conducted them ourselves, and accordingly, we cannot be certain that these patents and patent applications will be prepared, filed, prosecuted, maintained, enforced and defended in a manner consistent with the best interests of our business. If our licensors fail to file, prosecute, maintain, enforce and defend such patents and patent applications, or lose rights to those patents or patent applications, the rights we may license may be reduced or eliminated, our right to develop and commercialize any of our technology and any therapeutic candidates we may develop that are the subject of such licensed rights could be adversely affected and we may not be able to prevent competitors or other third parties from making, using and selling competing products. We may not be able to protect our intellectual property rights throughout the world. Filing, prosecuting, maintaining, enforcing and defending patents and other intellectual property rights on our technology and any therapeutic candidates we are developing or may develop in all jurisdictions throughout the world would be prohibitively expensive, and accordingly, our intellectual property rights in some jurisdictions outside the U. S. could be less extensive than those in the U. S. In some cases, we or our licensors may not be able to obtain patent or other intellectual property protection for certain technology and therapeutic candidates outside the U. S. In addition, the laws of some foreign jurisdictions do not protect intellectual property rights to the same extent as federal and state laws in the U. S. Consequently, we and our licensors may not be able to obtain issued patents or other intellectual property rights covering any therapeutic candidates we are developing or may develop and our technology in all jurisdictions outside the U. S. and, as a result, may not be able to prevent third parties from practicing our and our licensors' inventions in all countries outside the U. S., or from selling or importing products made using our inventions in and into the U. S. or other jurisdictions. For example, third parties may use our technologies in jurisdictions where we and our licensors have not pursued and obtained patent or other intellectual property protection to develop their own products and, further, may export otherwise infringing, misappropriating or violating products to territories where we have patent or other intellectual property protection, but enforcement is not as strong as that in the U. S. Additionally, many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain jurisdictions, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, particularly those relating to biotechnology and pharmaceutical products, which could make it difficult for us to stop the infringement, misappropriation or other violation of our patent and other intellectual property rights or marketing of competing products in violation of our intellectual property rights generally. Proceedings to enforce our or our licensors' patent and other intellectual property rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patent and other intellectual property rights at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We or our licensors may not prevail in any lawsuits that we or our licensors initiate and, if we or our licensors prevail, the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license. Many jurisdictions also have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties, and many jurisdictions limit the enforceability of patents against government agencies or government contractors. In these jurisdictions, the patent owner may have limited remedies, which could materially diminish the value of such patents. If we or any of our licensors is forced to grant a license to third parties with respect to any patents relevant to our business, our competitive position may be impaired, and our business, financial condition, results of operations and prospects may be adversely affected. Issued patents covering therapeutic candidates we are

developing or may develop could be found invalid or unenforceable if challenged in court or before administrative bodies in the U. S. or abroad. Our owned and licensed patent rights may be subject to priority, validity, inventorship and enforceability disputes. If we or our licensors are unsuccessful in any of these proceedings, such patent rights may be narrowed, invalidated or held unenforceable. The foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects. For example, if we or one of our licensors initiate legal proceedings against a third party to enforce a patent covering any of our therapeutic candidates or our technology, the defendant could counterclaim that the patent is invalid or unenforceable. In patent litigation in the U. S., defendant counterclaims alleging invalidity or unenforceability are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness, lack of written description or non- enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld information material to patentability from the USPTO, or made a misleading statement, during prosecution. Third parties also may raise similar claims before administrative bodies in the U. S. or abroad, even outside the context of litigation. Such mechanisms include re- examination, interference proceedings, derivation proceedings, post grant review, inter partes review and equivalent proceedings such as opposition, invalidation and revocation proceedings in foreign jurisdictions. Such proceedings could result in the revocation or cancellation of or amendment to our patents in such a way that they no longer cover one or more of our therapeutic candidates or our technology or no longer prevent third parties from competing with any therapeutic candidates we may develop or our technology. The outcome following legal assertions of invalidity and unenforceability is unpredictable. Defense of these claims, regardless of their merit, would involve substantial expense and would be a distraction to management and other employees. With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art, of which the patent examiner and we or our licensing partners were unaware during prosecution. If a third party were to prevail on a legal assertion of invalidity or unenforceability, we could lose at least part, and perhaps all, of the patent protection on one or more of our therapeutic candidates or technology. Such a loss of patent protection could have a material adverse effect on our business, financial condition, results of operations and prospects. Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment, and other requirements imposed by government 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 government fees on patents and applications will be due to be paid to the USPTO and various government patent agencies outside of the U. S. over the lifetime of our owned or licensed patents and applications. The USPTO and various non- U. S. government agencies require compliance with several procedural, documentary, fee payment and other similar provisions during the patent application process. In some cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. There are situations, however, in which non- compliance can result in abandonment or lapse of the patent or patent application, resulting in a partial or complete loss of patent rights in the relevant jurisdiction. In such an event, potential competitors might be able to enter the market with similar or identical products or technology, which could have a material adverse effect on our business, financial condition, results of operations, and prospects. Changes in patent law in the U. S. or worldwide could diminish the value of patents in general, thereby impairing our ability to protect any therapeutic candidates we may develop and our technology. Changes in either the patent laws or interpretation of patent laws in the U. S. and worldwide, including patent reform legislation such as the Leahy- Smith America Invents Act (the Leahy- Smith Act), could increase the uncertainties and costs surrounding the prosecution of any owned or in- licensed patent applications and the maintenance, enforcement or defense of any current in- licensed issued patents and issued patents we may own or in- license in the future. The Leahy- Smith Act includes a number of significant changes to U. S. patent law. These changes include provisions that affect the way patent applications are prosecuted, redefine prior art, provide more efficient and cost- effective avenues for competitors to challenge the validity of patents, and enable third- party submission of prior art to the USPTO during patent prosecution and additional procedures to attack the validity of a patent at USPTO- administered post- grant proceedings, including post- grant review, inter partes review, and derivation proceedings. Assuming that other requirements for patentability are met, prior to March 2013, in the U. S., the first to invent the claimed invention was entitled to the patent, while outside the U. S., the first to file a patent application was entitled to the patent. After March 2013, under the Leahy- Smith Act, the U. S. transitioned to a first- to- file system in which, assuming that the other statutory requirements for patentability are met, the first inventor to file a patent application will be entitled to the patent on an invention regardless of whether a third party was the first to invent the claimed invention. As such, the Leahy- Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of patents to issue based on our in- licensed patent applications and issued patents we may own or in- license in the future, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects. The Leahy- Smith Act also includes a number of significant changes that may affect patent litigation. These include additional procedures to attack the validity of a patent by USPTO - administered post- grant proceedings, including post- grant review, inter partes review, and derivation proceedings. Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in U. S. federal courts necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim unpatentable even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action. Accordingly, a third party may attempt to use the USPTO procedures to review patentability of our patent claims that would not have been invalidated if first challenged by the third party as a defendant in a district court action. Therefore, the Leahy- Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our owned or in- licensed patent applications and the enforcement or defense of our owned or in- licensed issued patents, all of which could have a material adverse effect on our business, financial condition, results of operations, and prospects. In addition, the patent positions of companies in the development and commercialization of biologics and pharmaceuticals are particularly uncertain.

Recent U. S. Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. As one example, in the case Assoc. for Molecular Pathology v. Myriad Genetics, Inc., the U. S. Supreme Court held that certain claims to DNA molecules are not patentable simply because they have been isolated from surrounding material. Moreover, in 2012, the USPTO issued a guidance memo to patent examiners indicating that process claims directed to a law of nature, a natural phenomenon or a naturally occurring relation or correlation that do not include additional elements or steps that integrate the natural principle into the claimed invention such that the natural principle is practically applied and the claim amounts to significantly more than the natural principle itself should be rejected as directed to patent- ineligible subject matter. This combination of events has created uncertainty with respect to the validity and enforceability of patents once obtained. Depending on future actions by the U. S. Congress, the federal courts and the USPTO, the laws and regulations governing patents could change in unpredictable ways that could have a material adverse effect on our patent rights and our ability to protect, defend and enforce our patent rights in the future. If we do not obtain patent term extension and data exclusivity for any therapeutic candidates we may develop, our business may be harmed. Depending upon the timing, duration and specifics of any FDA marketing approval of any therapeutic candidates we may develop and our technology, U. S. patents that we own or license or may own may be eligible for limited patent term extension under Hatch-Waxman Amendments. The Hatch- Waxman Amendments permit a patent extension term of up to five years as compensation for patent term lost during the FDA regulatory review process. A patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval, only one patent may be extended and only those claims covering the approved product, a method for using it or a method for manufacturing it may be extended. The application for the extension must be submitted prior to the expiration of the patent for which extension is sought and within 60 days of FDA approval. A patent that covers multiple products for which approval is sought can only be extended in connection with one of the approvals. However, we may not be granted an extension because of, for example, failing to exercise due diligence during the testing phase or regulatory review process, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents or otherwise failing to satisfy applicable requirements. Moreover, the applicable time period or the scope of patent protection afforded could be less than we request. In addition, to the extent we wish to pursue patent term extension based on a patent that we in- license from a third party, we would need the cooperation of that third party. If we are unable to obtain patent term extension or the term of any such extension is less than we request, our competitors may obtain approval of competing products following our patent expiration, and our revenue could be reduced. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects. We may be subject to claims challenging the inventorship or ownership of our patent and other intellectual property rights. We or our licensors may be subject to claims that former employees, collaborators or other third parties have an interest in our owned or in- licensed patent rights, trade secrets or other intellectual property as an inventor or co- inventor. For example, we or our licensors may have inventorship disputes arise from conflicting obligations of employees, consultants or others who are involved in developing our therapeutic candidates or technology. Litigation may be necessary to defend against these and other claims challenging inventorship or our or our licensors' ownership of our owned or in- licensed patent rights, trade secrets or other intellectual property. If we or our licensors fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of or right to use intellectual property that is important to any therapeutic candidates we may develop or our technology. 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. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects. We may not be successful in obtaining necessary rights to a therapeutic candidate we may develop through acquisitions and in- licenses. We currently own or exclusively license intellectual property rights covering certain aspects of our therapeutic programs. Other pharmaceutical companies and academic institutions may also have filed or are planning to file patent applications potentially relevant to our business. In order to avoid infringing these third- party patents, we may find it necessary or prudent to obtain licenses to such patents from such third- party intellectual property holders. However, we may be unable to secure such licenses or otherwise acquire or in- license any compositions, methods of use, processes or other intellectual property rights from third parties that we identify as necessary for our therapeutic programs and other proprietary technologies we may develop. The licensing or acquisition of third- party intellectual property rights is a competitive area, and several more established companies may pursue strategies to license or acquire third - party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, capital resources and greater clinical 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. If we are unable to successfully obtain rights to required third - party intellectual property rights or maintain the existing intellectual property rights we have, we may have to abandon development of the relevant program or therapeutic candidate, which could 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 advisors have wrongfully used or disclosed alleged trade secrets of their current or former employers or claims asserting ownership of what we regard as our own intellectual property. Some of our employees, consultants and advisors are currently or were previously employed at universities or other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Although we try to ensure that our employees, consultants and advisors do not use the proprietary information or know- how of others in their work for us, we may be subject to claims that we or these individuals have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual' s current or former employer. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful

in defending against such claims, litigation could result in substantial costs and be a distraction to our management. In addition, while it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. The assignment of intellectual property rights may not be self- executing, or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property. Such claims could have a material adverse effect on our business, financial condition, results of operations and prospects. Third- party claims of intellectual property infringement, misappropriation or other violations against us or our collaborators may prevent or delay the development and commercialization of our therapeutic programs and other proprietary technologies we may develop. Our commercial success depends in part on our ability to avoid infringing, misappropriating and otherwise violating the patents and other intellectual property rights of third parties. There is a substantial amount of complex litigation involving patents and other intellectual property rights in the biotechnology and pharmaceutical industries, as well as administrative proceedings for challenging patents, including interference, derivation and reexamination proceedings before the USPTO or oppositions and other comparable proceedings in foreign jurisdictions. As discussed above, recently, due to changes in U. S. law referred to as patent reform, new procedures including inter partes review and post- grant review have also been implemented. As stated above, this reform adds uncertainty to the possibility of challenge to our patents in the future. Numerous U. S. and foreign issued patents and pending patent applications owned by third parties exist in the fields in which we are commercializing or plan to commercialize our therapeutic programs and in which we are developing other proprietary technologies. As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that our therapeutic programs and commercializing activities may give rise to claims of infringement of the patent rights of others. We cannot assure you that our therapeutic programs and other proprietary technologies we may develop will not infringe existing or future patents owned by third parties. We may not be aware of patents that have already been issued and that a third party, for example, a competitor in the fields in which we are developing our therapeutic programs, might assert as infringed by us. It is also possible that patents owned by third parties of which we are aware or patents that may issue in the future from patent applications owned by third parties of which we are aware, but which we do not believe we infringe or that we believe we have valid defenses to any claims of patent infringement, could be found to be infringed by us, such as in connection with one or more of our therapeutic candidates. In addition, because patent applications can take many years to issue, and the scope of any patent claims that may ultimately issue are difficult to predict, there may be currently pending patent applications that may later result in issued patents that we may infringe and that, as a result, could harm our business. In the event that any third - party claims that we infringe their patents or that we are otherwise employing their proprietary technology without authorization and initiates litigation against us, even if we believe such claims are without merit, a court of competent jurisdiction could hold that such patents are valid, enforceable and infringed by us. In this case, the holders of such patents may be able to block our ability to commercialize the infringing products or technologies unless we obtain a license under the applicable patents, or until such patents expire or are finally determined to be held invalid or unenforceable. Such a license may not be available on commercially reasonable terms or at all. Even if we are able to obtain a license, the license would likely obligate us to pay license fees or royalties or both, and the rights granted to us might be nonexclusive, which could result in our competitors gaining access to the same intellectual property. If we are unable to obtain a necessary license to a third- party patent on commercially reasonable terms, we may be unable to commercialize the infringing products or technologies or such commercialization efforts may be significantly delayed, which could in turn significantly harm our business. Defense of infringement claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of management and other employee resources from our business, and may impact our reputation. In the event of a successful claim of infringement against us, we may be enjoined from further developing or commercializing the infringing products or technologies. In addition, we may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, obtain one or more licenses from third parties, pay royalties and / or redesign our infringing products or technologies, which may be impossible or require substantial time and monetary expenditure. In that event, we would be unable to further develop and commercialize our therapeutic candidate or technologies, which could harm our business significantly. Further, we cannot predict whether any required license would be available at all or whether it would be available on commercially reasonable terms. We could be prevented from commercializing a product, or be forced to cease some aspect of our business operations, if, as a result of actual or threatened patent infringement claims, we are unable to enter into licenses on acceptable terms. We may in the future pursue invalidity proceedings with respect to third- party patents. The outcome following legal assertions of invalidity is unpredictable. Even if resolved in our favor, these legal proceedings may cause us to incur significant expenses, and could distract our technical and management personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. If we do not prevail in the patent proceedings the third parties may assert a claim of patent infringement directed at our therapeutic candidates. We may become involved in lawsuits to protect or enforce our patents and other intellectual property rights, which could be expensive, time- consuming and unsuccessful. Third parties, such as a competitor, may infringe our patent rights. In an infringement proceeding, a court may decide that a patent owned by us is invalid or unenforceable or may refuse to stop the other party from using the invention at issue on the grounds that the patent does not cover the technology in question. In addition, our patent rights may become involved in inventorship, priority or validity disputes. To counter or defend against such claims can be expensive and time- consuming. An adverse result in any litigation proceeding could put our patent rights at risk

of being invalidated or interpreted narrowly. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. Even if resolved in our favor, litigation or other legal proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace. If our trademarks and trade names are not adequately protected, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected. Our registered or unregistered trademarks or trade names may be challenged, infringed, circumvented ~~or ,~~ declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition among potential partners or customers in our markets of interest. At times, competitors or other third parties may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. Such third - party registered trademark owners may seek and obtain a court order that could prevent us from continuing to use our trademarks or trade names or order a payment of monetary damages. Our efforts to enforce, protect or defend our proprietary rights related to trademarks, trade names, domain name or other intellectual property may be ineffective and could result in substantial costs and diversion of resources and could adversely affect our business, financial condition, results of operations and prospects. We may not be successful in obtaining or maintaining necessary rights to product components and processes for our development pipeline through acquisitions and in- licenses. The growth of our business may depend in part on our ability to acquire, in- license or use third- party proprietary rights. For example, our therapeutic candidates may require specific formulations to work effectively and efficiently, we may develop therapeutic candidates containing our compounds and pre- existing pharmaceutical compounds, or we may be required by the FDA or comparable foreign regulatory authorities to provide a companion diagnostic test or tests with our therapeutic candidates, any of which could require us to obtain rights to use intellectual property held by third parties. We may be unable to acquire or in- license any compositions, methods of use, processes or other third- party intellectual property rights from third parties that we identify as necessary or important to our business operations. In addition, we may fail to obtain any of these licenses at a reasonable cost or on reasonable terms, if at all. Were that to happen, we may need to cease use of the compositions or methods covered by those third- party intellectual property rights, and may need to seek to develop alternative approaches that do not infringe on those intellectual property rights, which may entail additional costs and development delays, even if we were able to develop such alternatives, which may not be feasible. We, our collaborators and our service providers may be subject to a variety of privacy and data security laws and contractual obligations, which could increase compliance costs and our failure to comply with them could subject us to potentially significant fines or penalties and otherwise harm our business. We maintain a large quantity of sensitive information, including confidential business and patient health information in connection with our preclinical and clinical studies, and are subject to laws and regulations governing the privacy and security of such information. The global data protection landscape is rapidly evolving, and we may be affected by or subject to new, amended or existing laws and regulations in the future, including as our operations continue to expand or if we operate in foreign jurisdictions. These laws and regulations may be subject to differing interpretations, which adds to the complexity of processing personal data. Guidance on implementation and compliance practices are often updated or otherwise revised. In the U. S., there are numerous federal and state privacy and data security laws and regulations governing the collection, use, disclosure and protection of personal information, including health information privacy laws, security breach notification laws and consumer protection laws. Each of these laws is subject to varying interpretations and is constantly evolving. By way of example, the federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, imposes privacy and security requirements and breach reporting obligations with respect to individually identifiable health information upon " covered entities " (health plans, health care clearinghouses and certain health care providers), and their respective business associates (individuals or entities that create, received, maintain or transmit protected health information in connection with providing a service for or on behalf of a covered entity). Entities that are found to be in violation of HIPAA may be subject to significant civil, criminal and administrative fines and penalties and / or additional reporting and oversight obligations. Even when HIPAA does not apply, failing to take appropriate steps to keep consumers' personal information secure may constitute unfair acts or practices in or affecting commerce in violation of Section 5 (a) of the Federal Trade Commission Act (the FTCA), 15 U. S. C § 45 (a). The FTC expects a company' s data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business and the cost of available tools to improve security and reduce vulnerabilities. Individually identifiable health information is considered sensitive data that merits stronger safeguards. **Through executive and legislative action, the federal government has also taken steps to restrict data transactions involving certain sensitive data categories – including health data, genetic data, and biospecimens – with persons affiliated with China, Russia, and other countries of concern.** In addition, certain state laws govern the privacy and security of health information in certain circumstances, some of which are more stringent than HIPAA and many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance

efforts. For example, ~~California enacted~~ the California Consumer Privacy Act ~~of 2018~~ (**"** CCPA **"**) ~~. This~~ **is a comprehensive privacy** law **that creates individual privacy** ~~, which took effect on January 1, 2020 and became enforceable by the California Attorney General on July 1, 2020, broadly defines personal information. The CCPA gives California residents expanded~~ rights ~~to access and delete their personal information~~ and places stringent privacy and security obligations on businesses covered by the law, including obligations to provide detailed disclosures to California consumers about their data collection, use and sharing practices and provide such consumers with ways to opt out of certain **uses** ~~sales or transfers~~ of **sensitive** personal information. It also provides for civil penalties for violations ~~,~~ and allows for a private right of action for data breaches that is expected to increase data breach litigation. ~~In addition, the California Privacy Rights Act, or CPRA, which became effective on January 1, 2023, imposes additional obligations on companies covered by the legislation and significantly modifies the CCPA, including by expanding consumers' rights with respect to certain sensitive personal information.~~ The ~~CPRA~~ **law** also created a new state **regulatory** agency that was vested with authority to implement and enforce the CCPA. ~~Many aspects of the CCPA, as amended by the CPRA, and its interpretation remain unclear. As such, its full impact on our business and operations remains uncertain.~~ Additionally, comprehensive privacy laws akin to the CCPA have been passed in ~~thirteen~~ **numerous** other states, and, with bills being proposed in several other states, it is quite possible that other U. S. states will follow suit. ~~New privacy~~ **Like the CCPA, these laws grant consumers rights in relation to their personal information** and **impose new obligations on regulated businesses, including, in some instances, broader** data security **requirements but unlike the CCPA, which also applies to personal information collected in the business- to- business and human resources contexts, to date, the other state privacy** laws **are generally limited to personal information collected from consumers** ~~have been proposed in more than half of the states in the U. S. and in the U. S. Congress~~ . In addition to these comprehensive consumer privacy laws and proposals, a number of other states have passed or proposed more limited privacy laws that focus on specific privacy issues such as biometric data and the privacy of health and medical information, such as Washington state' s My Health My Data Act. The existence of privacy laws in different states in the country will make our compliance obligations more complex and costly **. Regulators and legislators in the U. S. are increasingly scrutinizing and restricting certain personal data transfers and transactions involving foreign countries. For example, Executive Order 14117 of February 28, 2024, Preventing Access to Americans' Bulk Sensitive Personal Data and United States Government- Related Data by Countries of Concern as implemented by Department of Justice regulations issued in December 2024, prohibits data brokerage transactions involving certain sensitive personal data categories, including health data, genetic data, and biospecimens, to countries of concern, including China. The regulations also restrict certain investment agreements, employment agreements and vendor agreements involving such data and countries of concern, absent specified cybersecurity controls. Actual or alleged violations of these regulations may be punishable by criminal and / or civil sanctions, and may result in exclusion from participation in federal and state programs** . As we conduct studies with subjects from outside of the U. S., we may be subject to additional, more stringent privacy laws in other jurisdictions. Most notably, we conduct studies in the European Economic Area, the EEA and are subject to the EU General Data Protection Regulation, the EU GDPR. The EU GDPR governs the collection, use, disclosure, transfer or other processing of personal data of individuals in the EEA. Among other things, the EU GDPR imposes strict requirements regarding the security of personal data and notification of data breaches to the competent national data protection authorities, imposes limitations on retention of personal data, imposes stringent requirements relating to the consent of data subjects or ensuring another appropriate legal basis applies to the processing of personal data, requires us to maintain records of our processing activities and to document data protection impact assessments where there is high risk processing, ensuring certain measures are in place with third- party processors, provides a broad definition of personal data and requires detailed notices for clinical trial subjects and investigators. In addition, the EU GDPR increases the scrutiny of transfers of personal data from clinical trial sites located in the EEA to the U. S. and other jurisdictions that the European Commission (EC) does not recognize as having " adequate " data protection laws. These transfers are prohibited unless a valid transfer mechanism is implemented, such as the Standard Contractual Clauses (SCCs) published by the EC, binding corporate rules or certification to the EU- U. S. Data Privacy Framework that the EC adopted on July 10, 2023. Any inability to transfer personal data from the EEA to the United States in compliance with data protection laws may impede our ability to conduct trials and may adversely affect our business and financial position. The EU GDPR imposes substantial fines for breaches and violations (up to the greater of € 20 million or 4 % of our consolidated annual worldwide gross revenue). The EU GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with competent national data protection authorities, seek judicial remedies, and obtain compensation for damages resulting from violations of the EU GDPR. Non- compliance could also result in the imposition of orders to stop data processing activities. In particular, national laws of Member States of the EU have implemented national laws which may partially deviate from the EU GDPR and impose different and more restrictive obligations from country to country, so that we do not expect to operate in a uniform legal landscape in the EU. Also, as it relates to processing and transfer of sensitive data (such as health data), the EU GDPR specifically allows EU Member State nations to enact laws that impose additional and more specific requirements or restrictions, and European laws have historically differed quite substantially in this field, leading to additional uncertainty. The U. K. GDPR and the U. K. Data Protection Act 2018 set out the U. K.' s data protection regime, which is independent from but largely aligned to the EU' s data protection regime with the same requirements as set out above for the EU GDPR. Like the EU GDPR, the U. K. GDPR restricts personal data transfers outside the U. K. to countries not regarded by the U. K. as providing adequate protection. It is not subject to the new form of SCCs but has issued its own transfer mechanism – the U. K. international data transfer agreement and addendum. Moreover, on September 21, 2023, the U. K. Government adopted the Data Protection (Adequacy) Regulations 2023, also referred to as the " UK- U. S. Data Bridge ", which will allow companies to transfer personal data from the U. K. to the U. S. on the basis of the EU- U. S. Data Privacy Framework. The U. K.' s government has confirmed that personal data transfers from the U. K. to the EEA remain free flowing. The European Commission has adopted an adequacy decision in favor

of the U. K., enabling data transfers from EU member states to the U. K. without additional safeguards. However, the U. K. adequacy decision will automatically expire in June 2025 unless the European Commission renews or extends that decision. There may be further divergence in the future, including with regard to administrative burdens. The U. K. Government has announced plans to reform the country' s data protection legal framework in its Data Reform Bill introduced into the U. K. legislative process, which if passed, may have the effect of further altering the similarities between the U. K. and EEA data protection regimes and threaten the U. K.' s adequacy decision from the European Commission. The potential for the provisions and enforcement of the EU GDPR and UK GDPR further diverging in the future and the lack of clarity on future UK laws and regulations and their interaction with EU laws may lead to additional compliance costs and could increase our overall risk exposure as we may no longer be able to take a unified approach across the EEA and the U. K. Non- compliance with the U. K. GDPR may result in monetary penalties of up to £ 17. 5 million or 4 % of worldwide revenue, whichever is higher. These and other future developments regarding data protection laws and the flow of data across borders could increase the cost and complexity of delivering our services in some markets and may lead to governmental and / or data protection authority enforcement actions, litigation, fines, and penalties or adverse publicity, which could adversely affect our business and financial position. As these privacy, data protection and data security laws continue to evolve, we may be required to make changes to our business, including by taking on more onerous obligations in our contracts, limiting our storage, transfer and processing of data, implementing certain security controls and related technologies, and, in some cases, limiting our activities in certain locations. Changes in these laws may also increase our potential exposure through significantly higher potential penalties for non- compliance. In addition, due to the uncertainty and potentially conflicting interpretations of these laws, it is possible that such laws and regulations may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. Any failure or perceived failure by us to comply with applicable laws or satisfactorily protect our systems, infrastructure, and confidential or protected information, including personal information could result in governmental and / or data protection authority enforcement actions, litigation, or negative publicity, any of which could inhibit our ability to grow our business. Potential claims that we have violated individuals' privacy rights, failed to comply with data protection laws, or breached our contractual obligations, even if we are not found liable, could be expensive and time consuming to defend and could result in adverse publicity that could harm our business. Organizations are also increasingly subject to a wide variety of sophisticated attacks on their networks, systems, infrastructure, and endpoints, including the theft and subsequent misuse of employee credentials, denial- of- service attacks, ransomware attacks, digital extortion, business email compromises, malware, viruses, and social engineering (including phishing). The techniques used to obtain unauthorized access or to sabotage systems, networks, infrastructure, or physical facilities in which data is stored or through which data is transmitted, or on which our services and operations rely, evolve and change frequently and generally are not identified until they are launched against a target. We and our third **-** party service providers may be unable to anticipate these techniques or to implement adequate preventative measures. Compromise of our data security or of third parties with whom we do business or on which our services and operations rely, failure to prevent or mitigate the loss of confidential or protected information, including personal or business information, and delays in detecting, remediating, or providing prompt notice of any such compromise or loss could disrupt our operations, harm our reputation, result in loss of business or customers, subject us to litigation, government action or other additional costs and liabilities that could adversely affect our business, financial condition and operating results. Any reputational damage resulting from breach of our security measures could create distrust of our company. In addition, our insurance coverage may not be adequate to cover costs, expenses and losses associated with such events, and in any case, such insurance may not cover all of the types of costs, expenses and losses we could incur to investigate, respond to and remediate a security incident or compromise, including a security breach. As a result, we may be required to expend significant additional resources to protect against the threat of these disruptions and security ~~breaches~~ **incidents** or to address and alleviate problems caused by such disruptions, compromises, incidents, or breaches, including costs to deploy additional personnel and protection technologies, train employees, and engage third- party experts and consultants, including legal counsel, which could materially and adversely affect our business, financial condition and results of operations. 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 our therapeutic candidate or utilize similar technology but that are not covered by the claims of the patents that we license or may own; • we might not have been the first to make the inventions covered by our current or future patent applications; • we might not have been the first to file patent applications covering our inventions; • others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our intellectual property rights; • it is possible that our current or future patent applications will not lead to issued patents; • any patent issuing from our current or future patent applications may be held invalid or unenforceable, including as a result of legal challenges by our competitors or other third parties; • our competitors or other third parties 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 for patent protection in order to maintain certain trade secrets or know-how, and a third party may subsequently file a patent application covering such intellectual property. Risks Related to Government Regulation Even if we obtain regulatory approval for any of our therapeutic candidates, we will still face extensive and ongoing regulatory requirements and obligations, which may result in significant additional expense, and any therapeutic candidates, if approved, may face future development and regulatory difficulties. Any therapeutic candidate for which we obtain marketing approval will be subject to extensive and ongoing requirements of and review by the FDA and other regulatory authorities, including requirements related to the manufacturing processes, post- approval clinical data, labeling, packaging,

distribution, adverse event reporting, storage, recordkeeping, export, import, and advertising and promotional activities for such product, among other things. These requirements include submissions of safety and other post- marketing information and reports, establishment registration and drug listing requirements, continued compliance with cGMP requirements relating to manufacturing, quality control, quality assurance, and corresponding maintenance of records and documents, compliance with applicable product tracking and tracing requirements, requirements regarding the distribution of samples to physicians and recordkeeping and GCP requirements for any clinical trials that we conduct post- approval. Even if marketing approval of a therapeutic candidate is granted, the approval may be subject to limitations on the indicated uses for which the therapeutic candidate may be marketed or to the conditions of approval, including a requirement to implement a REMS. If a therapeutic candidate receives marketing approval, the accompanying label may limit the approved indicated use of the product, which could limit sales of the product. The FDA may also require costly post- marketing studies or clinical trials and surveillance to monitor the safety or efficacy of a product. The FDA closely regulates the post- approval marketing and promotion of drugs to ensure drugs are marketed only for the approved indications and in accordance with the provisions of the approved labeling. The FDA imposes stringent restrictions on manufacturers' communications regarding off- label use, and if we market our products for uses beyond their approved indications, we may be subject to enforcement action for off- label marketing. Violations of the Federal Food, Drug, and Cosmetic Act, relating to the promotion of prescription drugs, may lead to FDA enforcement actions and investigations alleging violations of federal and state healthcare fraud and abuse laws, as well as state consumer protection laws. Additionally, under FDORA, sponsors of approved drugs and biologics must provide six months' notice to the FDA of any changes in marketing status, such as the withdrawal of a drug, and failure to do so could result in the FDA placing the product on a list of discontinued products, which would revoke the product' s ability to be marketed. In addition, later discovery of previously unknown adverse events or other problems with our products, manufacturers, or manufacturing processes or failure to comply with regulatory requirements, may yield various results, including: • restrictions on manufacturing such products; • restrictions on the labeling or marketing of products; • restrictions on product distribution or use; • requirements to conduct post- marketing studies or clinical trials; • issuance of warning letters or untitled letters; • refusal to approve pending applications or supplements to approved applications that we submit; • recalls or market withdrawals of products; • fines, restitution, or disgorgement of profits or revenues; • suspension or termination of ongoing clinical trials; • suspension or withdrawal of marketing approvals; • refusal to permit the import or export of our products; • product seizure; or • injunctions, consent decrees, or the imposition of civil or criminal penalties. Obtaining and maintaining marketing approval or commercialization of our therapeutic candidates in the U. S. does not mean that we will be successful in obtaining marketing approval of our therapeutic candidates in other jurisdictions and vice- versa. Failure to obtain marketing approval in the U. S. or foreign jurisdictions would prevent any therapeutic candidates we may develop from being marketed in such jurisdictions, which, in turn, would materially impair our ability to generate revenue. In order to market and sell any therapeutic candidates we may develop in the EU and many other foreign jurisdictions, we must obtain separate marketing approvals and comply with numerous and varying regulatory requirements. The approval procedure varies among countries and can involve additional testing. The time required to obtain approval may differ substantially from that required to obtain FDA approval. To obtain a marketing authorization for a product in the EU, an applicant must submit a marketing authorization application either under a centralized procedure administered by the EMA, or one of the procedures administered by competent authorities in the EU Member States (decentralized procedure, national procedure or mutual recognition procedure). We anticipate that the centralized procedure will be mandatory for the product candidates we are developing. The centralized procedure provides for the grant of a single marketing authorization by the European Commission that is valid throughout the EU, and in the additional Member States of the European Economic Area (Iceland, Liechtenstein and Norway). For more information, please see " Business – Government Regulation – Marketing Authorization ". The regulatory approval process outside the U. S. generally includes all of the risks associated with obtaining FDA approval. In addition, in many countries outside the U. S., it is required that the product be approved for reimbursement before the product can be approved for sale in that country. We may not obtain approvals from regulatory authorities outside the U. S. on a timely basis, if at all. Approval by the FDA does not ensure approval by regulatory authorities in other countries or jurisdictions, and approval by one regulatory authority outside the U. S. does not ensure approval by regulatory authorities in other countries or jurisdictions or by the FDA. We may not be able to file for marketing approvals and may not receive necessary approvals to commercialize our medicines in any jurisdiction, which would materially impair our ability to generate revenue. Our relationships with healthcare providers, patients and third- party payors are subject to applicable anti- kickback, fraud and abuse and other healthcare laws and regulations, which could expose us to significant penalties, including criminal sanctions, civil penalties, exclusion from government healthcare programs, contractual damages, reputational harm and diminished profits and future earnings. Although we do not currently have any drugs on the market, our current and future operations are subject to additional healthcare statutory and regulatory requirements and enforcement by the federal government and the states and foreign governments in which we conduct our business. Healthcare providers and third- party payors will play a primary role in the recommendation and prescription of iluzanebart, VG- 3927 and future therapeutic candidates for which we obtain marketing approval. Our arrangements with third- party payors and customers may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations that may constrain the business or financial arrangements and relationships through which we research as well as market, sell and distribute iluzanebart, VG- 3927 and future therapeutic candidates for which we obtain marketing approval. For more information regarding the risks related to these laws and regulations please see " Business – Government Regulation – Other Healthcare Laws. " Efforts to ensure that our business arrangements with third parties will comply with applicable healthcare laws and regulations will involve substantial costs. Any action against us for violation of these laws, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management' s attention from the operation of our business. The shifting compliance environment and the need to build and maintain robust and expandable systems to comply with multiple jurisdictions with

different compliance or reporting requirements increases the possibility that a healthcare company may run afoul of one or more of the requirements. The scope and enforcement of these laws is uncertain and subject to rapid change in the current environment of healthcare reform, especially in light of the lack of applicable precedent and regulations. Federal and state enforcement has led to a number of investigations, prosecutions, convictions and settlements in the healthcare industry. Ensuring that our internal operations and future business arrangements with third parties comply with applicable healthcare laws and regulations will involve substantial costs. It is possible that governmental authorities will conclude that our business practices do not comply with current or future statutes, regulations, agency guidance or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of the laws described above or any other governmental laws and regulations that may apply to us, we may be subject to significant penalties, including administrative, civil and criminal penalties, damages, fines, disgorgement, the exclusion from participation in federal and state healthcare programs, reputational harm, and the curtailment or restructuring of our operations, as well as additional reporting obligations and oversight if we become subject to a corporate integrity agreement or other agreement to resolve allegations of non- compliance with these laws. Further, defending against any such actions can be costly and time consuming, and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired. If any of the physicians or other providers or entities with whom we expect to do business are found to not be in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs and individual imprisonment. If any of the above occur, our ability to operate our business and our results of operations could be adversely affected. We are subject to certain U. S. and certain foreign anti- corruption, anti- money laundering, export control, sanctions and other trade laws and regulations. We can face serious consequences for violations. U. S. and foreign anti- corruption, anti- money laundering, export control, sanctions and other trade laws and regulations prohibit, among other things, companies and their employees, agents, CROs, legal counsel, accountants, consultants, contractors and other partners from authorizing, promising, offering, providing, soliciting or receiving directly or indirectly, corrupt or improper payments or anything else of value to or from recipients in the public or private sector. Violations of these laws can result in substantial criminal fines and civil penalties, imprisonment, the loss of trade privileges, debarment, tax reassessments, breach of contract and fraud litigation, reputational harm and other consequences. We have direct or indirect interactions with officials and employees of government agencies or government- affiliated hospitals, universities and other organizations. We also expect our non- U. S. activities to increase over time. We expect to rely on third parties for research, preclinical studies and clinical trials and / or to obtain necessary permits, licenses, patent registrations and other marketing approvals. We can be held liable for the corrupt or other illegal activities of our personnel, agents or partners, even if we do not explicitly authorize or have prior knowledge of such activities. Any violations of the laws and regulations described above may result in substantial civil and criminal fines and penalties, imprisonment, the loss of export or import privileges, debarment, tax reassessments, breach of contract and fraud litigation, reputational harm and other consequences. Healthcare legislative reform discourse and potential or enacted measures may have a material adverse impact on our business and results of operations and legislative or political discussions surrounding the desire for and implementation of pricing reforms may adversely impact our business. The U. S. and many foreign jurisdictions have enacted or proposed legislative and regulatory changes affecting the healthcare system. The U. S. government, state legislatures and foreign governments also have shown significant interest in implementing cost- containment programs to limit the growth of government- paid healthcare costs, including price controls, restrictions on reimbursement and requirements for substitution of generic products for branded prescription drugs. Additional changes that may affect our business include those governing enrollment in federal healthcare programs, reimbursement changes, rules regarding prescription drug benefits under the health insurance exchanges and fraud and abuse and enforcement. Continued implementation of the ACA and the passage of additional laws and regulations may result in the expansion of new programs such as Medicare payment for performance initiatives, and may impact existing government healthcare programs, such as by improving the physician quality reporting system and feedback program. For more information regarding the risks related to recently enacted and future legislation please see “ Business – Government Regulation – Healthcare Reform. ” We cannot predict the initiatives that may be adopted in the future. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce costs of healthcare and / or impose price controls may adversely affect: • the demand for our product candidates, if we obtain regulatory approval; • our ability to set a price that we believe is fair for our approved products; • our ability to generate revenue and achieve or maintain profitability; • the level of taxes that we are required to pay; and • the availability of capital. We expect that additional U. S. federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that the U. S. federal government will pay for healthcare drugs and services, which could result in reduced demand for our drug candidates or additional pricing pressures. Individual states in the United States have also become increasingly active in passing legislation and implementing regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain drug access and marketing cost disclosure and transparency measures, and designed to encourage importation from other countries and bulk purchasing. Legally mandated price controls on payment amounts by third- party payors or other restrictions could harm our business, financial condition, results of operations and prospects. In addition, regional healthcare authorities and individual hospitals are increasingly using bidding procedures to determine what pharmaceutical products and which suppliers will be included in their prescription drug and other healthcare programs. This could reduce the ultimate demand for our drugs or put pressure on our drug pricing, which could negatively affect our business, financial condition, results of operations and prospects. The commercial success of our therapeutic candidates will depend upon the degree of market acceptance of such therapeutic candidates by physicians, patients, healthcare payors and others in the medical community. Our therapeutic candidates may not be commercially successful. Even if any of our therapeutic candidates receive regulatory approval, they may not gain market

acceptance among physicians, patients, healthcare payors or the medical community. The commercial success of any of our current or future therapeutic candidates will depend significantly on the broad adoption and use of the resulting product by physicians and patients for approved indications. The degree of market acceptance of our therapeutics will depend on a number of factors, including: • demonstration of clinical efficacy and safety compared to other more- established products or treatment methods or other standards of care; • the indications for which our therapeutic candidates are approved; • the identification of patients eligible to receive our therapeutics for which our therapeutics are approved; • the limitation of our targeted patient population and other limitations or warnings contained in any labeling required by the FDA or comparable foreign regulatory authorities; • acceptance of a new drug for the relevant indication by healthcare providers and their patients; • the pricing and cost- effectiveness of our therapeutics, as well as the cost of treatment with our therapeutics in relation to alternative treatments and therapies; • our ability to obtain and maintain sufficient third- party coverage and adequate reimbursement from government healthcare programs, including Medicare and Medicaid, private health insurers and other third- party payors; • the willingness of patients to pay all, or a portion of, out- of- pocket costs associated with our therapeutics in the absence of sufficient third- party coverage and adequate reimbursement; • any restrictions on the use of our therapeutics, and the prevalence and severity of any adverse effects; • potential product liability claims; • the timing of market introduction of our therapeutics as well as competitive drugs; • the effectiveness of our or any of our current or potential future collaborators' sales and marketing strategies; and • unfavorable publicity relating to the product. If any therapeutic candidate is approved but does not achieve an adequate level of acceptance by physicians, hospitals, healthcare payors or patients, we may not generate sufficient revenue from that product and may not become or remain profitable. Our efforts to educate the medical community and third- party payors regarding the benefits of our therapeutics may require significant resources and may never be successful. There are examples of therapies for neurodegenerative diseases that have obtained regulatory approval, but ultimately were unsuccessful in achieving an adequate level of acceptance by physicians, hospitals, healthcare payors or patients. For instance, in January 2024, Biogen, Inc. announced it would discontinue development and commercialization of ADUHELM ® (aducanumab- avwa) which received approval for the treatment of AD in 2021. Even if we are able to commercialize our therapeutic candidates, the products may not receive coverage and adequate reimbursement from third- party payors in the U. S. and in other countries in which we seek to commercialize our products, which could harm our business. In the U. S. and markets in other countries, patients generally rely on third- party payors to reimburse all , or part of the costs associated with their treatment. Adequate coverage and reimbursement from governmental healthcare programs, such as Medicare and Medicaid, and commercial payors is critical to new product acceptance. Our ability to successfully commercialize our therapeutic candidates will depend in part on the extent to which coverage and adequate reimbursement for these products and related treatments will be available from government health administration authorities, private health insurers and other organizations. Even if coverage is provided, the approved reimbursement amount may not be high enough to allow us to establish or maintain pricing sufficient to realize a sufficient return on our investment. Government authorities and third- party payors, such as private health insurers and health maintenance organizations, decide which medications they will pay for and establish reimbursement levels. For more information , please see " Business – Government Regulation – Coverage and Reimbursement. " Third- party payors increasingly are challenging prices charged for biopharmaceutical products and services, and many third- party payors may refuse to provide coverage and reimbursement for particular drugs or biologics when an equivalent generic drug, biosimilar or a less expensive therapy is available. It is possible that a third- party payor may consider our product candidates as substitutable and only offer to reimburse patients for the cost of the less expensive product. Even if we show improved efficacy or improved convenience of administration with our product candidates, pricing of existing third- party therapeutics may limit the amounts we will be able to charge for our product candidates. These payors may deny or revoke the reimbursement status of a given product or establish prices for new or existing marketed products at levels that are too low to enable us to realize an appropriate return on our investment in our product candidates. We cannot be sure that coverage and reimbursement in the U. S., the European Union or elsewhere will be available for our product candidates or any product that we may develop, and any reimbursement that may become available may be decreased or eliminated in the future. In the U. S., third- party payors, and governmental healthcare plans, such as the Medicare and Medicaid programs, play an important role in determining the extent to which new drugs and biologics will be covered. The Medicare and Medicaid programs increasingly are used as models in the U. S. for how private payors and other governmental payors develop their coverage and reimbursement policies for drugs and biologics. Some third- party payors may require pre- approval of coverage for new or innovative drug therapies before they will reimburse healthcare providers who use such therapies. If reimbursement is not available or is available only at limited levels, we may not be able to successfully commercialize our product candidates and may not be able to obtain a satisfactory financial return on our investment in the development of product candidates. Outside the U. S., international operations are generally subject to extensive governmental price controls and other market regulations, and we believe the increasing emphasis on cost- containment initiatives in Europe and other foreign jurisdictions have and will continue to put pressure on the pricing and usage of our product candidates. We cannot predict at this time what third- party payors will decide with respect to the coverage and reimbursement for our product candidates. We expect that healthcare reform measures that may be adopted in the future may result in more rigorous coverage criteria and in additional downward pressure on the price that we receive for any approved product. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize our products. Legislative and regulatory proposals have been made to expand post- approval requirements and restrict sales and promotional activities for pharmaceutical products. We cannot be sure whether additional legislative changes will be enacted, or whether the FDA regulations, guidance or interpretations will be changed, or what the impact of such changes on the marketing approvals or clearances of our product candidates, if any, may be. If we fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could harm our business. We are subject to numerous foreign, federal, state and local environmental, health and

safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our operations involve the use of hazardous, radioactive, and flammable materials, including chemicals and biological materials. Our operations also produce hazardous waste products. We generally contract with third parties for the disposal of these materials and wastes. We cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed our resources, including any available insurance. In addition, our leasing and operation of real property may subject us to liability pursuant to certain of these laws or regulations. Under existing U. S. environmental laws and regulations, current or previous owners or operators of real property and entities that disposed or arranged for the disposal of hazardous substances may be held strictly, jointly and severally liable for the cost of investigating or remediating contamination caused by hazardous substance releases, even if they did not know of and were not responsible for the releases. We could incur significant costs and liabilities which may adversely affect our financial condition and operating results for failure to comply with such laws and regulations, including, among other things, civil or criminal fines and penalties, property damage and personal injury claims, costs and claims associated with upgrades, maintenance and construction at our facilities or changes to our operating procedures, or injunctions limiting or altering our operations. Although we maintain workers' compensation insurance to cover us for costs and expenses we may incur due to injuries to our employees resulting from the use of hazardous materials, this insurance may not provide adequate coverage against potential liabilities. We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us in connection with our storage or disposal of biological, hazardous or radioactive materials. In addition, we may incur substantial costs in order to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations, which are becoming increasingly more stringent, may impair our research, development or production efforts. Our failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions. Legislation or other changes in U. S. tax law could adversely affect our business and financial condition. The rules dealing with U. S. federal, state, and local income taxation are constantly under review by persons involved in the legislative process and by the Internal Revenue Service and the U. S. Treasury Department. Changes to tax laws (which changes may have retroactive application) could adversely affect us or holders of our common stock. In recent years, many changes have been made to applicable tax laws and changes are likely to continue to occur in the future. Future changes in tax laws could have a material adverse effect on our business, cash flow, financial condition or results of operations. It cannot be predicted whether, when, in what form, or with what effective dates, new tax laws may be enacted, or regulations and rulings may be enacted, promulgated or issued under existing or new tax laws, which could result in an increase in our or our stockholders' tax liability or require changes in the manner in which we operate in order to minimize or mitigate any adverse effects of changes in tax law or in the interpretation thereof. We urge investors to consult with their legal and tax advisers regarding the implications of potential changes in tax laws on an investment in our common stock. Our ability to use our U. S. net operating loss carryforwards and certain other U. S. tax attributes may be limited. Our ability to use our U. S. federal and state net operating losses to offset potential future taxable income and related income taxes that would otherwise be due is dependent upon our generation of future taxable income, and we cannot predict with certainty when, or whether, we will generate sufficient taxable income to use all of our net operating losses. Under current law, unused U. S. federal net operating losses generated for tax years beginning after December 31, 2017 are not subject to expiration and may be carried forward indefinitely. Such U. S. federal net operating losses generally may not be carried back to prior taxable years, except that, net operating losses generated in 2018, 2019 and 2020 may be carried back to each of the five tax years preceding the tax years of such losses. Additionally, for taxable years beginning after December 31, 2020, the deductibility of such U. S. federal net operating losses is limited to 80 % of our taxable income in any future taxable year. In addition, both our current and our future unused U. S. federal net operating losses and tax credits may be subject to limitations under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended (the Code), if we undergo an " ownership change, " generally defined as a greater than 50 percentage point change (by value) in a corporation' s equity ownership by certain stockholders over a rolling three- year period. The completion of private placements and other transactions that have occurred since inception, may trigger such ownership change pursuant to Section 382 and we may experience ownership changes in the future as a result of subsequent shifts in our stock ownership, some of which are outside our control. Any such limitation, whether as the result of the mergers, prior private placements, sales of our common stock by our existing stockholders, or additional sales of our common stock by us after the mergers, could have a material adverse effect on our results of operations in future years. Our net operating losses and tax credits may also be impaired or restricted under state law. As of December 31, ~~2023~~ **2024** , we had approximately $ ~~95~~ **133** . ~~7~~ **6** million of U. S. federal and $ ~~98~~ **137** . ~~3~~ **2** million of state net operating loss carryforwards due to prior period losses. Our federal NOLs can be carried forward indefinitely and our State NOLs expire at various dates beginning in 2040. Risks Related to Employee Matters and Managing our Growth Our future success depends on our ability to retain key employees and to attract, retain and motivate qualified personnel. We are highly dependent on the expertise of our executive officers. Although we have entered into employment agreements and / or offer letters with our executive officers, each of them may terminate their employment with us at any time. Our industry has experienced a high rate of turnover in recent years. Our ability to compete in the highly competitive pharmaceuticals industry depends upon our ability to attract, retain and motivate highly skilled and experienced personnel with scientific, clinical, regulatory, manufacturing and management skills and experience. We conduct our operations in the greater Boston area, a region that is home to many other pharmaceutical companies as well as many academic and research institutions, resulting in fierce competition for qualified personnel. We may not be able to attract or retain qualified personnel in the future due to the intense competition for a limited number of qualified personnel among pharmaceutical companies. Many of the other pharmaceutical companies against which we compete have greater financial and other resources, different risk profiles and a longer history in the industry than we do. Our competitors may provide higher compensation, more diverse opportunities and /

or better opportunities for career advancement. Any or all of these competing factors may limit our ability to continue to attract and retain high quality personnel, which could negatively affect our ability to successfully develop and commercialize our therapeutic candidates and to grow our business and operations as currently contemplated. To induce valuable employees to remain at our company, in addition to salary, benefits, and cash incentives, we have provided stock options that vest over time. The value to employees of stock options that vest over time may be significantly affected by movements in our stock price that are beyond our control and may at any time be insufficient to counteract more lucrative offers from other companies. Despite our efforts to retain valuable employees, members of our management, scientific and development teams may terminate their employment with us on short notice. For example, employment of our key employees is at- will, which means that any of our employees could leave our employment at any time, with or without notice. **To provide added incentives to retain and motivate key contributors, in May 2024, our board of directors approved a stock option repricing. In addition, at our 2024 Annual Meeting of Stockholders, our stockholders approved a Certificate of Amendment to our Third Amended and Restated Certificate of Incorporation to provide for the exculpation of our executive officers, as permitted under Delaware law, which amendment became effective on June 5, 2024. Despite this, we may have difficulty retaining key personnel, which could adversely affect our business and further development of our product candidates.** In addition, we rely on consultants and advisors, including scientific and clinical advisors, to assist us in formulating our research and development and commercialization strategy. Our consultants and advisors may be employed by employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability to us. We will need to grow our size and capabilities, and as a result, we may encounter difficulties in managing our growth, which could disrupt our operations. As of February ~~29~~ **28** , ~~2024~~ **2025** , we had 69 full- time employees. We expect to experience significant growth in the number of our employees and the scope of our operations, particularly in the areas of clinical development, clinical operations, manufacturing, regulatory affairs and, if any of our therapeutic candidates receive marketing approval, sales, marketing and distribution. We are continuing our efforts to recruit and hire the necessary employees to support our planned operations in the near term. However, competition for qualified employees among companies in the biotechnology and biopharmaceutical industry is intense, and no assurance can be given that we will be able attract, hire, retain and motivate the highly skilled employees that we need. Future growth will impose significant added responsibilities on members of management, including identifying, recruiting, integrating, maintaining and motivating additional employees and managing our internal development efforts effectively, while complying with our contractual obligations to contractors and other third parties. Our future financial performance and our ability to commercialize our product candidates, if approved, will depend, in part, on our ability to effectively manage any future growth, and our management may also have to divert a disproportionate amount of its attention away from day- to- day activities in order to devote a substantial amount of time to managing these growth activities. To manage our anticipated future growth, we must continue to implement and improve our managerial, operational and financial systems, expand our facilities and continue to recruit and train additional qualified personnel. Due to our limited financial resources and the limited experience of our management team in managing a company with such anticipated growth and potentially with developing sales, marketing and distribution infrastructure, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. The expansion of our operations may lead to significant costs and may divert our management and business development resources. If we are not able to effectively manage growth and expand our organization, we may not be able to successfully implement the tasks necessary to further develop and commercialize iluzanebart or VG- 3927, our other pipeline therapeutic candidates or any future therapeutic candidates and, accordingly, may not achieve our research, development and commercialization goals. Our employees and independent contractors, including principal investigators, CROs, consultants and vendors, may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements. We are exposed to the risk that our employees and independent contractors, including principal investigators, CROs, consultants and vendors may engage in misconduct or other illegal activity. Misconduct by these parties could include intentional, reckless and / or negligent conduct or disclosure of unauthorized activities to us that violate: (i) the laws and regulations of the FDA and other similar regulatory requirements, including those laws that require the reporting of true, complete and accurate information to such authorities, (ii) manufacturing standards, including cGMP requirements, (iii) federal and state data privacy, security, fraud and abuse and other healthcare and employment laws and regulations in the U. S. and abroad or (iv) laws that require the true, complete and accurate reporting of financial information or data. Activities subject to these laws also involve the improper use or misrepresentation of information obtained in the course of clinical trials, the creation of fraudulent data in our preclinical studies or clinical trials or illegal misappropriation of drug product, which could result in regulatory sanctions and cause serious harm to our reputation. It is not always possible to identify and deter misconduct by employees and other third parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. In addition, we are subject to the risk that a person or government could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business and financial results, including, without limitation, the imposition of significant civil, criminal and administrative penalties, damages, monetary fines, disgorgements, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, imprisonment, contractual damages, reputational harm, diminished profits and future earnings, additional reporting requirements and oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non- compliance with these laws and curtailment of our operations, any of which could adversely affect our ability to operate our business and our results of operations. We face significant competition, and if our competitors develop technologies or therapeutic candidates more rapidly than we do or their technologies are more effective, our business and our ability to develop and successfully commercialize

products may be adversely affected. The biotechnology and pharmaceutical industries are characterized by rapidly changing technologies, significant competition and a strong emphasis on intellectual property. These characteristics also apply to the development and commercialization of treatments in neurodegenerative diseases, particularly AD. While we believe that our focus, expertise, scientific knowledge and intellectual property provide us with competitive advantages, we face competition from several different sources, including large and small biopharmaceutical companies, academic research institutions, government agencies and public and private research organizations, that conduct research, seek and obtain patent protection, and establish collaborative arrangements, sometimes exclusive, for research, development, manufacturing and commercialization. Competition can arise from third parties which are pursuing therapeutics that target the same molecular targets as our product candidates, therapeutics that are being developed for the same diseases or disorders as our product candidates, or both, therapeutics that target the same molecular targets and are being developed for the same diseases or disorders as our product candidates. In general, we consider our closest competitors as third parties that are conducting clinical trials to evaluate such therapeutics. We further define and evaluate competition based on the nature of the disease or disorder that is potentially addressed by our product candidates. For instance, we consider competition more broadly in the context of rare diseases and more narrowly for diseases or disorders that are common. That is, we are more apt to consider a third party a competitor if it is clinically developing a therapeutic for the same rare disease in which we are developing our product candidates, irrespective of the molecular target of the third - party therapeutic. On the other hand, we are less inclined to consider a third party a competitor in the case of a common disease, unless the third party is clinically developing a therapeutic that targets the same molecular target as our product candidates. Nevertheless, the competitive landscape, particularly for common diseases, is highly complex and can be influenced by the success or failure of third - party therapeutics that are being developed for the same disease or disorder as our product candidates. As a result, our share price may be positively or negatively influenced by the activities of such third parties irrespective of whether we consider them to be a competitor or not. We are aware of third parties which are pursuing therapeutics that target the same molecular targets as our product candidates ~~. Because our current product candidates target TREM2, we consider Alector, which is developing AL002, a TREM2 targeting antibody, for AD in collaboration with AbbVie, Inc. to be our closest competitor~~ . Regarding therapeutics that are being developed for the same diseases or disorders as our product candidates, we consider the main competitors as follows: • Iluzanebart for ALSP: we are not aware of any third parties that are clinically developing therapeutics for ALSP. Further, no products have been approved to treat ALSP. Academics have investigated the use of hematopoietic stem cell transplantation in a small number of ALSP patients, however, we believe this procedure has limited benefits and several key limitations. • VG- 3927 for AD: ~~we are not aware of any~~ third parties ~~clinically~~ developing **therapeutics** ~~small molecules that target~~ **targeting** TREM2 **include Novartis AG which is developing VHB937, a TREM2 targeting antibody,** for ~~AD~~ **amyotrophic lateral sclerosis and Alzheimer' s Disease** . **In addition,** ~~There~~ **there** are ~~, however,~~ many third parties pursuing clinical development of therapeutics for AD ~~. Alector in collaboration with AbbVie, Inc. is clinically developing TREM2 targeting antibody therapeutics~~ . The University of Oxford in collaboration with Janssen Pharmaceutica NV has reported a Phase I trial of JNJ- 40346527 (edicotinib), a small molecule CSF- 1R antagonist. Elixiron Immunotherapeutics, Inc. has reported a Phase I trial of EI- 1071, a small molecule that inhibits the tyrosine kinase activity of CSF- 1R. In addition, there are others developing therapeutics for AD that do not target TREM2. Notable examples include those that are based on reduction of ß- amyloid plaques, such as LEQEMBI ™ (lecanemab- irmb), which is from Biogen, Inc. and was FDA approved in 2023. **Also, in July 2024, the FDA approved Kisunla ™ (donanemab) which is marketed by Eli Lilly for the treatment of people living with early symptomatic AD.** Other ß- amyloid therapeutics and additional approaches for AD are being pursued by Roche (Genentech) ~~, Eli Lilly~~ and others. Many of our competitors have significant financial, technical, manufacturing, marketing, sales and supply resources or experience. These competitors also compete with us in recruiting qualified scientific and management personnel as well as establishing clinical trial sites and patient registration for clinical trials, and in acquiring new technologies. If we successfully obtain approval for any therapeutic candidate, we will face competition based on many different factors, including the safety and effectiveness of our therapeutics, the ease with which our therapeutics can be administered, the timing and scope of regulatory approvals for these products, the availability and cost of manufacturing, marketing and sales capabilities, price, reimbursement coverage and patent position. Competing products could present superior treatment alternatives, including by being more effective, safer, more convenient, less expensive or marketed and sold more effectively than any products we may develop. Competitive products or technological approaches may make any products we develop obsolete or noncompetitive before we recover the expense of developing and commercializing our therapeutic candidates. If we are unable to compete effectively, our opportunity to generate revenue from the sale of the therapeutics we may develop could be adversely affected. Risks Related to Ownership of Our Common Stock If securities or industry analysts do not publish research or reports, or if they publish adverse or misleading research or reports, regarding us, our business or our market, our stock price and trading volume could decline. The trading market for our common stock may be influenced by the research and reports that securities or industry analysts publish about us, our business or our market. If any of the analysts who cover us issue adverse or misleading research or reports regarding us, our business model, our intellectual property, our stock performance or our market, or if our operating results fail to meet the expectations of analysts, our stock price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. Unstable market and economic conditions may have serious adverse consequences on our business, financial condition and stock price. As widely reported, global credit and financial markets have experienced extreme volatility and disruptions in the past several years, most recently due, directly or indirectly, to the COVID- 19 pandemic, record inflation, the Russia / Ukraine conflict **and the conflict in the Middle East** , including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates and uncertainty about economic stability. There can be no assurance that further deterioration in credit and financial markets and confidence in economic

conditions, whether due to these or other events, will not occur. Our general business strategy may be adversely affected by any such economic downturn, volatile business environment or continued unpredictable and unstable market conditions. If the current equity and credit markets deteriorate, or do not improve, it may make any necessary debt or equity financing more difficult, more costly, more dilutive, or not possible at all. Failure to secure necessary financing in a timely manner and on favorable terms could have a material adverse event on our growth strategy, financial performance and stock price and could require us to delay or abandon clinical development plans. In addition, there is a risk that one or more of our current service providers, manufacturers and other partners may not survive these difficult economic times, which could directly affect our ability to attain our operating goals on schedule and on budget. Our stock price may decline due in part to the volatility of the stock market and the general economic downturn. Our principal stockholders and management own a significant percentage of our stock and will be able to exert significant control over matters subject to stockholder approval. Our executive officers, directors, holders of 5 % or more of our capital stock and their respective affiliates beneficially owned approximately ~~66~~ **37** % of our outstanding voting stock as of February ~~29~~ **28** , ~~2024~~ **2025** based on the amounts reported in the most recent filings made by such significant stockholders under Section 13 (d) and 13 (g) of the Exchange Act. These stockholders, acting together, may be able to impact matters requiring stockholder approval. For example, they may be able to impact elections of directors, amendments of our organizational documents or approval of any merger, sale of assets or other major corporate transaction. This may prevent or discourage unsolicited acquisition proposals or offers for our common stock that investors may feel are in their best interest as one of our stockholders. The interests of this group of stockholders may not always coincide with each investor' s interests or the interests of other stockholders and they may act in a manner that advances their best interests and not necessarily those of other stockholders, including seeking a premium value for their common stock, and might affect the prevailing market price for our common stock. Future sales and issuances of our common stock or rights to purchase common stock, including pursuant to our ATM Facility or 2021 Plan, could result in additional dilution of the percentage ownership of our stockholders and could cause our stock price to fall. We expect that significant additional capital may be needed in the future to continue our planned operations, including conducting clinical trials, commercialization efforts, expanded research and development activities and costs associated with operating a public company. To raise capital, we may sell common stock, convertible securities or other equity securities in one or more transactions at prices and in a manner we determine from time to time. If we sell common stock, convertible securities or other equity securities, investors may be materially diluted by subsequent sales. Such sales may also result in material dilution to our existing stockholders, and new investors could gain rights, preferences and privileges senior to the holders of our common stock. As of ~~March 25~~ **December 31** , 2024, we have sold ~~1~~ **2** , ~~000~~ **887** , ~~000~~ **021** shares of common stock under our ATM ~~facility~~ **program. Subsequent to December 31, 2024 through March 11, 2025, we sold 5, 784, 772 shares of common stock under our ATM program** . Additionally, pursuant to our 2021 Stock Option and Incentive Plan (2021 Plan), our management is authorized to grant stock options to our employees, directors and consultants. ~~If~~ **Unless the administrator of the 2021 Plan elects otherwise,** the number of shares reserved under our 2021 Plan ~~is increased~~ **increases** ~~pursuant~~ **annually by up** to ~~the terms~~ **five percent** of the ~~2021 Plan,~~ **number of shares of stock issued and outstanding on the immediately preceding December 31 and** our stockholders ~~may~~ **will** experience additional dilution, which could cause our stock price to fall. Any of the above events could significantly harm our business, prospects, financial condition and results of operations and cause the price of our common stock to decline. The administrator of the 2021 Plan is authorized to exercise its discretion **, and has exercised such discretion,** to ~~effect~~ **affect** the repricing of stock options and stock appreciation rights and there may be adverse consequences to our business ~~if~~ **due to the exercise of discretion by** the administrator of the 2021 Plan ~~exercises such discretion~~ . Pursuant to our 2021 Plan, we are authorized to grant equity awards, including stock options and stock appreciation rights, to our employees, directors and consultants. The compensation committee is the administrator of the 2021 Plan and is authorized to exercise its discretion to reduce the exercise price of stock options or stock appreciation rights or effect the repricing of such awards. **To provide added incentives** ~~Although we do not anticipate needing~~ to **retain and motivate key contributors** ~~exercise this discretion in the near term~~ , ~~or~~ **our board** ~~at all, if the administrator~~ of ~~the~~ **directors approved a stock option repricing in May** ~~2021~~ **2024** ~~Plan were to exercise~~ **. As a result of** such ~~discretion without seeking prior stockholder approval~~ **repricing or any potential future repricing** , certain proxy advisory firms or institutional investors may be unsupportive of such actions and publicly criticize our compensation practices, and proxy advisory firms may recommend an " against " or " withhold " vote for members of our compensation committee. In addition, if we are required to hold an advisory vote on named executive officer compensation (known as the " say- on- pay " vote) at the time of, or subsequent to, any such repricing, it is likely that proxy advisory firms would issue an " against " recommendation on our say on pay vote and institutional investors may not be supportive of our say- on- pay vote. If proxy advisory firms or institutional investors are successful in aligning their views with our broader stockholder base and we are required to make changes to the composition of our board and its committees, or if we need to make material changes to our compensation and corporate governance practices, our business might be disrupted and our stock price might be negatively impacted. Even if we are able to successfully rationalize the exercise of such discretionary power, defending against any " against " or " withhold " recommendation for members of our compensation committee, any " against " recommendation on our say on pay vote or public criticism could be distracting to management, and responding to such positions from such firms or investors, even if remedied, can be costly and time- consuming. In addition, ~~if the administrator~~ **as a result** of the **May** ~~2021~~ **2024** ~~Plan does determine to reprice~~ stock ~~options~~ **option repricing** or ~~stock appreciation rights~~ **any potential future repricing** , even absent negative reactions from proxy advisory firms and institutional investors, we could incur significant costs, including accounting and administrative costs and attorneys' fees. We may also be required to recognize incremental compensation expense as a result of such repricing. These actions could cause our stock price to decrease and experience periods of increased volatility, which could result in material adverse consequences to our business. Raising additional capital may cause dilution to our stockholders, restrict our operations or require us to relinquish rights to our technologies or therapeutic candidates. We do not have any

committed external source of funds or other support for our development and commercialization efforts, and we cannot be certain that additional funding will be available on acceptable terms, or at all. Until such time, if ever, as we can generate substantial product revenues, we expect to finance our cash needs through equity offerings, debt financings, or other capital sources, including potential collaborations, licenses and other similar arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a common stockholder. Any future debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, selling or licensing our assets, making capital expenditures, declaring dividends or encumbering our assets to secure future indebtedness. Such restrictions could adversely impact our ability to conduct our operations and execute our business plan. As a result of our recurring losses from operations and recurring negative cash flows from operations, there is uncertainty regarding our ability to maintain liquidity sufficient to operate our business effectively. If we raise additional funds through future collaborations, licenses and other similar arrangements, we may have to relinquish valuable rights to our future revenue streams, research programs or therapeutic candidates, or grant licenses on terms that may not be favorable to us and / or that may reduce the value of our common stock. If we are unable to raise additional funds through equity or debt financings or other arrangements when needed or on terms acceptable to us, we would be required to delay, limit, reduce, or terminate our product development or future commercialization efforts or grant rights to develop and market therapeutic candidates that we would otherwise prefer to develop and market ourselves. Any of the above events could significantly harm our business, prospects, financial condition and results of operations and cause the price of our common stock to decline. We are an " emerging growth company " and a smaller reporting company, and we cannot be certain if the reduced reporting requirements applicable to emerging growth companies and smaller reporting companies will make our common stock less attractive to investors. We are an " emerging growth company, " as defined in the Jumpstart Our Business Startups Act of 2012 (JOBS Act). For as long as we continue to be an emerging growth company, we intend to take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including: • being permitted to provide only two years of audited financial statements, in addition to any required unaudited interim financial statements, with correspondingly reduced " Management' s Discussion and Analysis of Financial Condition and Results of Operations " disclosure in our Annual Report on Form 10- K; • not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act of 2002, as amended (Sarbanes- Oxley Act); • 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 in our Annual Report on Form 10- K and our periodic reports and proxy statements; and • exemptions from the requirements of holding nonbinding advisory stockholder votes on executive compensation and stockholder approval of any golden parachute payments not previously approved. Under the JOBS Act, emerging growth companies can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have elected to avail ourselves of this exemption from new or revised accounting standards and, therefore, 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 the new or revised accounting pronouncements as of public company effective dates. We will remain an emerging growth company until the earliest to occur of: (i) the last day of the fiscal year in which we have more than $ 1. 235 billion in annual revenue; (ii) the date we qualify as a " large accelerated filer, " with at least $ 700. 0 million of equity securities held by non- affiliates; (iii) the date on which we have issued more than $ 1. 0 billion in non- convertible debt securities during the prior three- year period; and (iv) the last day of the fiscal year ending after the fifth anniversary of our initial public offering in January 2022. Even after we no longer qualify as an emerging growth company, we may still qualify as a " smaller reporting company, " which would allow us to continue to take advantage of many of the same exemptions from disclosure requirements, including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act and reduced disclosure obligations regarding executive compensation in our Annual Report on Form 10- K and our periodic reports and proxy statements. We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile. We do not intend to pay dividends on our common stock so any returns will be limited to the value of our stock. We have never declared or paid any cash dividends on our common stock. We currently anticipate that we will retain future earnings for the development, operation and expansion of our business and do not anticipate declaring or paying any cash dividends for the foreseeable future. Any return to stockholders will therefore be limited to any appreciation in the value of their stock. Anti- takeover provisions in our certificate of incorporation and bylaws and Delaware law might discourage, delay or prevent a change in control of our company or changes in our management and, therefore, depress the market price of our common stock. Our third amended and restated certificate of incorporation and our amended and restated bylaws , contain provisions that could depress the market price of our common stock by acting to discourage, delay or prevent a change in control of our company or changes in our management that the stockholders of our company may deem advantageous. These provisions, among other things: • a board of directors divided into three classes serving staggered three- year terms, such that not all members of the board will be elected at one time; • a prohibition on stockholder actions through written consent, which requires that all stockholder actions be taken at a meeting of our stockholders; • a requirement that special meetings of stockholders be called only by the board of directors acting pursuant to a resolution approved by the affirmative vote of a majority of the directors then in office; • advance notice requirements for stockholder proposals and nominations for election to our board of directors; • a requirement that no member of our board of directors may be removed from office by our stockholders except for cause and, in addition to any other vote required by law, upon the approval of not less

than two- thirds of all outstanding shares of our voting stock then entitled to vote in the election of directors; • a requirement of approval of not less than two- thirds of all outstanding shares of our voting stock to amend any bylaws by stockholder action or to amend specific provisions of our certificate of incorporation; and • the authority of the board of directors to issue preferred stock on terms determined by the board of directors without stockholder approval and which preferred stock may include rights superior to the rights of the holders of common stock. In addition, Section 203 of the General Corporation Law of the State of Delaware (DGCL) prohibits a publicly- held Delaware corporation from engaging in a business combination with an interested stockholder, generally a person which together with its affiliates owns, or within the last three years has owned, 15 % of our voting stock, for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. Any provision of our third amended and restated certificate of incorporation, amended and restated bylaws or Delaware law that has the effect of delaying or preventing a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our capital stock and could also affect the price that some investors are willing to pay for our common stock. Our bylaws designate certain courts as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees. Our bylaws provide that, unless we consent in writing to an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for any state law claims for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of, or a claim based on, fiduciary duty owed by any of our current or former directors, officers, and employees to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, our certificate of incorporation or our bylaws (including the interpretation, validity or enforceability thereof), or (iv) any action asserting a claim that is governed by the internal affairs doctrine, in each case subject to the Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein (Delaware Forum Provision). The Delaware Forum Provision will not apply to any causes of action arising under the Securities Act or the Exchange Act. Our amended and restated bylaws further provide that, unless we consent in writing to the selection of an alternative forum, the United States District Court for the District of Massachusetts shall be the sole and exclusive forum for resolving any complaint asserting a cause or causes of action arising under the Securities Act (Federal Forum Provision). In addition, our amended and restated bylaws provide that any person or entity purchasing or otherwise acquiring any interest in shares of our common stock is deemed to have notice of and consented to the foregoing provisions; provided, however, that stockholders cannot and will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. The Delaware Forum Provision and the Federal Forum Provision in our amended and restated bylaws may impose additional litigation costs on stockholders in pursuing any such claims. Additionally, the forum selection clauses in our amended and restated bylaws may limit our stockholders' ability to bring a claim in a forum that they find favorable for disputes with us or our directors, officers or employees, which may discourage such lawsuits against us and our directors, officers and employees even though an action, if successful, might benefit our stockholders. In addition, while the Delaware Supreme Court ruled in March 2020 that federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court were " facially valid " under Delaware law, there is uncertainty as to whether other courts will enforce our Federal Forum Provision. If the Federal Forum Provision is found to be unenforceable, we may incur additional costs associated with resolving such matters. The Federal Forum Provision may also impose additional litigation costs on stockholders who assert that the provision is not enforceable or invalid. The Court of Chancery of the State of Delaware and the federal district courts of the U. S. may also reach different judgments or results than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments may be more or less favorable to us than our stockholders. General Risk Factors We may be subject to securities litigation, which is expensive and could divert management attention. The market price of our common stock may be volatile and, in the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management' s attention from other business concerns, which could seriously harm our business. We will continue to incur increased costs as a result of operating as a public company, and our management will devote substantial time to related compliance initiatives. As a public company, we are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (Exchange Act), the Sarbanes- Oxley Act, the Dodd- Frank Wall Street Reform and Protection Act, as well as rules adopted, and to be adopted, by the SEC and Nasdaq. Our management and other personnel need to devote a substantial amount of time to these compliance initiatives. Moreover, we expect these rules and regulations to continue to require that we incur substantial legal and financial compliance costs and to make some activities more time- consuming and costly, which will increase our operating expenses. We cannot accurately predict or estimate the amount or timing of additional costs we may incur to respond to these requirements. The impact of these requirements could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as executive officers. In addition, as a public company we are required to incur additional costs and obligations in order to comply with SEC rules that implement Section 404 of the Sarbanes- Oxley Act. Under these rules, we are 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, we may be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To maintain compliance with Section 404, 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 detailed work 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. Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud. We are subject to the periodic reporting requirements of the Exchange Act. We designed our disclosure controls and procedures to reasonably assure that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures or internal controls and procedures, no matter how well- conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. These inherent limitations include the facts that judgments in decision- making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected. The market price of our common stock may be volatile, and investors could lose all or part of their investment. The trading price of our common stock is likely to be highly volatile and subject to wide fluctuations in response to various factors, some of which we cannot control. The stock market in general, and pharmaceutical and biotechnology companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. The global economy, including credit and financial markets, has experienced extreme volatility and disruptions, including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates, increases in inflation rates and uncertainty about economic stability. For example, the current Russia- Ukraine conflict, **Middle East** ~~Israel- Gaza~~ conflict and recent armed attacks in global shipping lanes have created extreme volatility in the global capital markets and is expected to have further global economic consequences, including disruptions of the global supply chain and energy markets. Continuing concerns over United States health care reform legislation have also contributed to increased volatility. Any such volatility and disruptions may have adverse consequences on us or the third parties on whom we rely. Broad market and industry factors may negatively affect the market price of our common stock, regardless of our actual operating performance. In addition to the factors discussed in this " Risk Factors " section and elsewhere in this Annual Report, these factors include: • the timing and results of INDs, preclinical studies and clinical trials of our therapeutic candidates or those of our competitors; • the success of competitive products or announcements by potential competitors of their product development efforts; • our decision to initiate a clinical trial, not to initiate a clinical trial or to terminate an existing clinical trial; • any delay in our regulatory filings for our therapeutic candidates and any adverse development or perceived adverse development with respect to the applicable regulatory authority' s review of such filings; • adverse developments concerning our potential future in- house manufacturing facilities or CMOs; • regulatory actions with respect to our therapeutics or therapeutic candidates or our competitors' products or therapeutic candidates; • actual or anticipated changes in our growth rate relative to our competitors; • the size and growth of our initial target markets; • unanticipated serious safety concerns related to the use of our therapeutic candidates; • regulatory or legal developments in the U. S. and other countries; • developments or disputes concerning patent applications, issued patents or other proprietary rights; • significant lawsuits, including patent or stockholder litigation; • publication of research reports about us or our industry, or positive or negative recommendations or withdrawal of research coverage by securities analysts; • the recruitment or departure of key personnel; • announcements by us or our competitors of significant acquisitions, strategic collaborations, joint ventures, collaborations or capital commitments; • actual or anticipated changes in estimates as to financial results, development timelines or recommendations by securities analysts; • fluctuations in the valuation of companies perceived by investors to be comparable to us; • market conditions in the pharmaceutical and biotechnology sector; • changes in the structure of healthcare payment systems; • share price and volume fluctuations attributable to inconsistent trading volume levels of our shares; • our failure to meet the estimates and projections of the investment community or that we may otherwise provide to the public; • announcement or expectation of additional financing efforts; • sales of our common stock by us, our insiders or our other stockholders; • expiration of market stand- off or lock- up agreements; • the impact of any natural disasters or public health emergencies; • general economic, political, industry and market conditions; and • other events or factors, many of which are beyond our control. The realization of any of the above risks or any of a broad range of other risks, including those described in this " Risk Factors " section, could have a dramatic and adverse impact on the market price of our common stock. **Our board of directors has the authority, without stockholder approval, to issue preferred stock which may include rights superior to the rights of the holders of common stock. The conversion of such preferred stock to common stock and any potential resales could adversely affect the market price of our common stock and result in dilution to existing shareholders. In June 2024, we created and established the rights of the Series A Non- Voting Convertible Preferred Stock (the " Series A Preferred Stock ") and issued 537, 634 shares of Series A Preferred Stock to Aventis Inc., a wholly- owned subsidiary of Sanofi (Sanofi), all of which are outstanding as of the date of this filing. Each share of Series A Preferred Stock is convertible into ten shares of common stock. We cannot predict the time at which Sanofi may elect to exercise its conversion rights or the effect that future sales of the as- converted common stock would have on the market price of our common stock or the percentage of ownership of our existing shareholders. Our certificate of incorporation allows us to issue shares of preferred stock without any vote or further action by our stockholders. In the future, our board of directors may authorize the issuance of a series of preferred stock that would grant to holders of preferred stock the rights to our assets upon liquidation, the right to receive dividend payments before dividends to the holders of common stock and the right to the redemption of the shares, together with a premium, prior to the redemption of our common stock.** Inadequate funding for the FDA, the SEC and other government agencies, including from government shutdowns, or other disruptions to these agencies' operations, could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal business functions on which the operation of our business may rely, which could negatively impact our business. **Recently, federal**

agencies in the U. S. have been operating under a continuing resolution that is set to expire on March 14, 2025. Without appropriation of additional funding to federal agencies, our business operations related to our product development activities for the U. S. market could be impacted. The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, the ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of the SEC and other government agencies on which our operations may rely is subject to the political process, which is inherently fluid and unpredictable. Disruptions at the FDA and other agencies may also slow the time necessary for new product candidates to be reviewed and / or approved by necessary government agencies, which would adversely affect our business. If a prolonged government shutdown occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Further, future government shutdowns could impact our ability to access the public markets and obtain necessary capital in order to properly capitalize and continue our operations. Unfavorable global economic or political conditions could adversely affect our business, financial condition or results of operations or our vendors. Our business, financial condition and results of operations could be materially adversely affected by any negative impact on the global economy and capital markets. Our results of operations could be adversely affected by general conditions in the global economy and in the global financial markets. A global financial crisis or a global or regional political disruption could cause extreme volatility in the capital markets and lead to diminished liquidity and credit availability, higher interest rates, declines in consumer confidence and economic growth, increases in unemployment rates and uncertainty about economic stability. In addition, the impact of geopolitical tension, such as a deterioration in the bilateral relationship between the United States and China or the ongoing war in Ukraine and the conflict in the Middle East, including any resulting sanctions, export controls or other restrictive actions, also could lead to disruption, instability, and volatility in the global markets and our ability to work with vendors in such geographic regions. ~~Legislative~~ **Legislation** ~~proposals are pending~~ **was proposed in 2024 in the U. S. Congress** that, if enacted, ~~could~~ **would have** negatively ~~impact~~ **impacted** U. S. funding for certain **Chinese** biotechnology providers, including some of our vendors, ~~that~~ **who** have relationships with certain foreign governments or which pose a threat to national security **. While Congress did not pass this legislation, similar future legislation may be proposed. The potential downstream adverse impacts of any such restrictions on entities having only commercial relationships with any impacted Chinese biotechnology providers is unknown but could include supply chain disruptions or delays** . The potential downstream adverse impacts on entities having only commercial relationships with any impacted biotechnology providers is unknown but may include supply chain disruptions or delays. A severe or prolonged economic downturn or political disruption could result in a variety of risks to our business, and our ability to raise additional capital when needed on acceptable terms, if at all. A weak or declining economy or political disruption could also strain our manufacturers or suppliers, possibly resulting in supply disruption, or resulting in the inability of any future customers to demand and pay for iluzanebart or VG- 3927, if either are approved. Any of the foregoing could harm our business and we cannot anticipate all of the ways in which the political or economic climate and financial market conditions could adversely impact our business. ~~87~~