UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2026

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-37798

Cartesian Therapeutics, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**26-1622110**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
7495 New Horizon Way, Frederick, MD	**21703**
(Address of principal executive offices)	(Zip Code)

(301) 348-8698

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.0001 par value per share	**RNAC**	**The Nasdaq Stock Market LLC**

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

Title of each class
Contingent Value Rights

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

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

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

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

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

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

As of July 31, 2026, the registrant had 30,255,352 shares of common stock, par value $0.0001 per share, outstanding.

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, or the Quarterly Report, contains forward-looking statements. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. All statements other than statements of historical facts contained in this Quarterly Report, including statements regarding our future results of operations and financial position, business strategy, prospective products, product approvals, research and development costs, timing and likelihood of success, the plans and objectives of management for future operations and future results of anticipated products, the impact of future pandemics or similar events on our business and operations and our future financial results, and the period over which we estimate our existing cash and cash equivalents will be sufficient to fund our future operating expenses and capital expenditure requirements are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential”, or “continue” or the negative of these terms or other similar expressions. The forward-looking statements in this Quarterly Report are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this Quarterly Report and are subject to a number of important factors that could cause actual results to differ materially from those in the forward-looking statements, including the factors described under the sections in this Quarterly Report titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” as well as the following:

- our future results of operations and financial position, business strategy, and the length of time that we believe our existing cash resources will fund our operations;
- the availability and use of funds under our Loan Agreement (as defined herein) with K2 HealthVentures LLC, or K2HV;
- our compliance with certain covenants under our Loan Agreement with K2HV that could adversely affect our operations and, in the case of an event of default, could result in us being obligated to repay any outstanding indebtedness sooner than planned and possibly at a time when we do not have sufficient capital to meet this obligation;
- our market size and our potential growth opportunities;
- our preclinical and clinical development activities;
- our dependence on third-parties, including contract research organizations in the conduct of our pre-clinical studies and clinical trials;
- the efficacy and safety profile of our product candidates;
- the potential therapeutic benefits and economic value of our product candidates;
- the timing and results of preclinical studies and clinical trials;
- the potential impairment of our goodwill and indefinite lived intangible assets;
- the expected impact of macroeconomic conditions, including inflation, increasing interest rates, volatile market conditions and current or potential bank failures;
- the impact of global events, including the ongoing conflicts between Russia and Ukraine, the ongoing conflict in the Middle East and geopolitical tensions with China;
- the impact of political uncertainty on our product development;
- the receipt and timing of potential regulatory designations, approvals and commercialization of our product candidates;
- our ability to prevent or minimize the effects of litigation and other contingencies;
- our status as a development-stage company and our expectation to incur losses in the future, and the possibility that we never achieve or maintain profitability;

- uncertainties with respect to our ability to access future capital;
- our ability to maximize the value of our pipeline of product candidates;
- our unproven approach to therapeutic intervention;
- our ability to enroll patients in clinical trials, timely and successfully complete those trials and receive necessary regulatory approvals;
- our ability to continue to grow our manufacturing capabilities and resources;
- our ability to manufacture our product candidates, which in some cases are manufactured on a patient-by-patient basis;
- our ability to receive or manufacture sufficient quantities of our product candidates;
- our ability to maintain our existing or future collaborations or licenses and to seek new collaborations, licenses or partnerships;
- our ability to protect and enforce our intellectual property rights;
- federal, state, and foreign regulatory requirements, including U.S. Food and Drug Administration, or FDA, regulation of our product candidates;
- our ability to obtain and retain key executives and retain qualified personnel;
- developments relating to our competitors and our industry;
- any future payouts under the contingent value rights, or CVR, issued to our holders of record as of the close of business on December 4, 2023; and
- our ability to monetize any of our legacy assets.

Moreover, we operate in an evolving environment. New risks and uncertainties may emerge from time to time, and it is not possible for management to predict all risk and uncertainties.

You should read this Quarterly Report and the documents that we reference in this Quarterly Report completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

Cartesian Therapeutics, Inc. and Subsidiaries
Consolidated Balance Sheets
(Amounts in thousands, except share data and par value)

	June 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 147,606	$ 125,139
Accounts receivable	196	1,115
Prepaid expenses and other current assets	5,813	3,022
Total current assets	153,615	129,276
Property and equipment, net	11,311	12,185
Right-of-use assets, net	5,124	5,601
In-process research and development asset	93,900	93,900
Goodwill	48,163	48,163
Long-term restricted cash	1,735	1,735
Long-term prepaid expenses and other assets	4,780	5,551
Total assets	$ 318,628	$ 296,411
Liabilities and stockholders' deficit		
Current liabilities:		
Accounts payable	$ 1,046	$ 1,288
Accrued expenses and other current liabilities	15,142	9,498
Lease liabilities	4,197	4,151
Warrant liability	165	—
Total current liabilities	20,550	14,937
Lease liabilities, net of current portion	6,805	8,525
Warrant liability, net of current portion	—	141
Long-term debt, net	52,851	—
Contingent value rights liability	356,700	392,100
Deferred tax liabilities, net	6,948	6,948
Total liabilities	443,854	422,651
Commitments and contingencies (Note 15)		
Stockholders' deficit:		
Series A Preferred Stock, $0.0001 par value; 112,164.533 and 134,904.563 shares authorized as of June 30, 2026 and December 31, 2025, respectively; 98,050.372 and 120,790.402 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	—	—
Series B Preferred Stock, $0.0001 par value; 437,927 shares authorized as of June 30, 2026 and December 31, 2025; 437,927 shares issued and outstanding as of June 30, 2026 and December 31, 2025	—	—
Preferred stock, $0.0001 par value; 9,449,908.467 and 9,427,168.437 shares authorized as of June 30, 2026 and December 31, 2025, respectively; no shares issued and outstanding as of June 30, 2026 and December 31, 2025	—	—
Common stock, $0.0001 par value; 350,000,000 shares authorized as of June 30, 2026 and December 31, 2025; 30,037,962 and 26,011,106 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	3	3
Additional paid-in capital	725,165	700,706
Accumulated deficit	(845,786)	(822,373)
Accumulated other comprehensive loss	(4,608)	(4,576)
Total stockholders' deficit	(125,226)	(126,240)
Total liabilities and stockholders' deficit	$ 318,628	$ 296,411

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

Cartesian Therapeutics, Inc. and Subsidiaries
Consolidated Statements of Operations and Comprehensive Income (Loss)
(Amounts in thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues:				
Collaboration and license	$ —	$ —	$ —	$ 400
Grant	—	298	78	998
Total revenues	—	298	78	1,398
Operating expenses:				
Research and development	20,431	14,869	39,894	29,543
General and administrative	8,724	7,240	15,838	15,555
Total operating expenses	29,155	22,109	55,732	45,098
Operating loss	(29,155)	(21,811)	(55,654)	(43,700)
Other income (expense):				
Interest income	1,103	1,748	2,129	3,763
Interest expense	(852)	—	(852)	—
(Loss) gain on change in fair value of warrant liability	(118)	654	(24)	2,472
Loss on change in fair value of embedded derivative	(4,535)	—	(4,535)	—
Gain on change in fair value of contingent value rights liability	49,200	35,300	35,400	35,646
Other income (expense), net	126	(5)	123	(5)
Total other income, net	44,924	37,697	32,241	41,876
Net income (loss)	$ 15,769	$ 15,886	$ (23,413)	$ (1,824)
Other comprehensive (loss) income:				
Foreign currency translation adjustment	(25)	12	(32)	44
Total comprehensive income (loss)	$ 15,744	$ 15,898	$ (23,445)	$ (1,780)
Net income (loss) allocable to shares of common stock:				
Net income (loss)	$ 15,769	$ 15,886	(23,413)	(1,824)
Less: Undistributed earnings allocable to participating securities	(2,049)	(2,628)	—	—
Net income (loss) allocable to shares of common stock - basic and diluted	$ 13,720	$ 13,258	$ (23,413)	$ (1,824)
Net income (loss) per share allocable to common stockholders:				
Basic	$ 0.47	$ 0.51	$ (0.83)	$ (0.07)
Diluted	$ 0.46	$ 0.50	$ (0.83)	$ (0.07)
Weighted-average common shares outstanding:				
Basic	29,467,130	25,980,262	28,142,256	25,941,670
Diluted	29,860,880	26,447,251	28,142,256	25,941,670

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

Cartesian Therapeutics, Inc. and Subsidiaries
Consolidated Statements of Changes in Stockholders' Deficit
(Amounts in thousands, except share data)

	Series A Preferred Stock		Series B Preferred Stock		Common stock		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive loss	Stockholders' deficit
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance at December 31, 2025	120,790.402	$ —	437,927	$ —	26,011,106	$ 3	$ 700,706	$ (822,373)	$ (4,576)	$ (126,240)
Issuance of common stock upon exercise of options	—	—	—	—	93,632	—	304	—	—	304
Issuance of common stock upon vesting of restricted stock units	—	—	—	—	169,278	—	—	—	—	—
Issuance of common stock through at the market offering, net of commissions and expenses	—	—	—	—	2,270,712	—	14,584	—	—	14,584
Stock-based compensation expense	—	—	—	—	—	—	2,423	—	—	2,423
Currency translation adjustment	—	—	—	—	—	—	—	—	(7)	(7)
Net loss	—	—	—	—	—	—	—	(39,182)	—	(39,182)
Balance at March 31, 2026	120,790.402	$ —	437,927	$ —	28,544,728	$ 3	$ 718,017	$ (861,555)	$ (4,583)	$ (148,118)
Conversion of Series A Preferred Stock to common stock	(22,740.030)	—	—	—	758,001	—	—	—	—	—
Issuance of common stock upon exercise of options	—	—	—	—	192,209	—	373	—	—	373
Issuance of common stock through at the market offering, net of commissions and expenses	—	—	—	—	543,024	—	4,692	—	—	4,692
Stock-based compensation expense	—	—	—	—	—	—	2,083	—	—	2,083
Currency translation adjustment	—	—	—	—	—	—	—	—	(25)	(25)
Net income	—	—	—	—	—	—	—	15,769	—	15,769
Balance at June 30, 2026	98,050.372	$ —	437,927	$ —	30,037,962	$ 3	$ 725,165	$ (845,786)	$ (4,608)	$ (125,226)

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

Cartesian Therapeutics, Inc. and Subsidiaries
Consolidated Statements of Changes in Stockholders' Deficit
(Amounts in thousands, except share data)

	Series A Preferred Stock		Series B Preferred Stock		Common stock		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive loss	Stockholders' deficit
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance at December 31, 2024	120,790.402	$ —	437,927	$ —	25,767,369	$ 3	$ 689,887	$ (692,071)	$ (4,621)	$ (6,802)
Issuance of common stock upon exercise of options	—	—	—	—	55,690	—	183	—	—	183
Issuance of vested restricted stock units	—	—	—	—	113,042	—	—	—	—	—
Stock-based compensation expense	—	—	—	—	—	—	2,508	—	—	2,508
Currency translation adjustment	—	—	—	—	—	—	—	—	32	32
Net loss	—	—	—	—	—	—	—	(17,710)	—	(17,710)
Balance at March 31, 2025	120,790.402	$ —	437,927	$ —	25,936,101	$ 3	$ 692,578	$ (709,781)	$ (4,589)	$ (21,789)
Issuance of common stock upon exercise of options	—	—	—	—	25,690	—	85	—	—	85
Issuance of vested restricted stock units	—	—	—	—	38,274	—	—	—	—	—
Stock-based compensation expense	—	—	—	—	—	—	3,279	—	—	3,279
Currency translation adjustment	—	—	—	—	—	—	—	—	12	12
Net income	—	—	—	—	—	—	—	15,886	—	15,886
Balance at June 30, 2025	120,790.402	$ —	437,927	$ —	26,000,065	$ 3	$ 695,942	$ (693,895)	$ (4,577)	$ (2,527)

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

Cartesian Therapeutics, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(Amounts in thousands)

	Six Months Ended June 30,	
	2026	**2025**
Cash flows from operating activities		
Net loss	$ (23,413)	$ (1,824)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	1,394	1,745
Non-cash lease expense	477	371
Stock-based compensation expense	4,506	5,787
Non-cash interest expense	355	—
Loss (gain) on change in fair value of warrant liability	24	(2,472)
Loss on change in fair value of embedded derivative	4,535	—
Gain on change in fair value of contingent value rights liability	(35,400)	(35,646)
Changes in operating assets and liabilities:		
Accounts receivable	919	518
Prepaid expenses and other assets	(89)	(5,124)
Accounts payable	(463)	231
Accrued expenses and other liabilities	3,938	(4,215)
Net cash used in operating activities	(43,217)	(40,629)
Cash flows from investing activities		
Purchases of property and equipment	(299)	(3,670)
Net cash used in investing activities	(299)	(3,670)
Cash flows from financing activities		
Proceeds from issuance of long-term debt, net	46,030	—
Equity offering costs	—	(479)
Proceeds from exercise of stock options	677	268
Proceeds from at the market offering, net of commissions and expenses	19,308	—
Distribution of contingent value rights	—	(7,754)
Net cash provided by (used in) financing activities	66,015	(7,965)
Effect of exchange rate changes on cash	(32)	44
Net change in cash, cash equivalents, and restricted cash	22,467	(52,220)
Cash and cash equivalents at beginning of period	126,874	214,279
Cash and cash equivalents at end of period	$ 149,341	$ 162,059
Supplemental cash flow information		
Cash paid for interest	$ —	$ —
Non-cash investing and financing activities		
Purchase of property and equipment not yet paid	$ 221	$ 688
Equity offering costs in accrued liabilities	$ 32	$ —
Fair value of embedded derivative recorded in connection with long-term debt	$ 7,405	$ —

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

Cartesian Therapeutics, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

1. Description of the Business

Cartesian Therapeutics, Inc., or the Company, was incorporated in Delaware on December 10, 2007, and is headquartered in Frederick, Maryland. The Company is a late clinical-stage biotechnology company pioneering cell therapy for the treatment of autoimmune diseases. The Company leverages its proprietary technology and manufacturing platform to introduce mRNA into cells to provide a therapeutic effect to patients suffering from a variety of autoimmune conditions. Unlike DNA, mRNA degrades naturally over time without integrating into the cell's genetic material. The Company's cell therapies are designed to be dosed repeatedly like conventional drugs, administered in an outpatient setting and given without pre-treatment chemotherapy, which is required with many conventional cell therapies.

The Company's Product Candidates

The Company aims to provide a personalized approach to treating patients that begins with the collection of a patient's cells, which are then used to manufacture the Company's cell therapy product candidates. Once a patient's cells have expanded in the Company's process, mRNA is introduced to deliver a chimeric antigen receptor into the cell. Once the manufacturing process is complete, the product candidate is sent back to the treating physician where they administer six weekly infusions of the Company's cell therapy candidate to the patient. The Company's product candidates are specifically designed to target and destroy the pathogenic, self-reactive cells that are the underlying cause of the autoimmune disease, with the goal of creating a precision immune reset for the patient.

Descartes-08, the Company's lead cell therapy product candidate, is an autologous chimeric antigen receptor T-cell therapy, or CAR-T, product targeting B-cell maturation antigen, or BCMA, in clinical development for the treatment of generalized myasthenia gravis, or MG, and myositis, specifically, moderate to severe multi-refractory dermatomyositis and antisynthetase syndrome. In contrast to conventional DNA-based CAR T-cell therapies, the Company's CAR-T administration is designed to not require preconditioning chemotherapy, to be administered in the outpatient setting and does not carry the risk of genomic integration associated with cancerous transformation. Descartes-08 has been granted Orphan Drug Designation and Regenerative Medicine Advanced Therapy Designation by the U.S. Food and Drug Administration, or FDA, for the treatment of MG, and Rare Pediatric Disease Designation for the treatment of juvenile dermatomyositis.

Liquidity and Management's Plan

As of June 30, 2026, the Company had an accumulated deficit of $845.8 million. The Company anticipates operating losses to continue for the foreseeable future due to, among other things, costs related to research and development of its product candidates and its administrative organization. The future success of the Company is dependent on its ability to develop its product candidates and ultimately upon its ability to attain and sustain profitable operations. The successful development of product candidates requires substantial working capital, which may not be available to the Company on favorable terms or at all.

As of June 30, 2026, the Company's cash, cash equivalents, and restricted cash were $149.3 million, of which $1.7 million was restricted cash related to lease commitments. The Company believes the cash, cash equivalents and restricted cash as of June 30, 2026 will enable it to fund its current planned operations for at least the next 12 months from the filing of this Quarterly Report.

On May 22, 2026, the Company entered into the Loan Agreement (as defined below) with K2HV (as defined below), providing for Term Loan Facility (as defined below) with aggregate commitments of up to $150.0 million available in four tranches, subject to the satisfaction of certain conditions precedent. As of June 30, 2026, the Company has borrowed $50.0 million under the Loan Agreement. See Note 9, "Debt" for more information.

Further, the liability associated with the CVR Agreement (as defined below) will be settled solely through cash flow received under the Company's License and Development Agreement, or as so amended, the Sobi License, with Swedish Orphan Biovitrum AB (publ.), or Sobi, and any other Gross Proceeds (as defined in the CVR Agreement) net of certain agreed deductions. Under the CVR Agreement, 100% of all milestone payments, royalties and other amounts paid to the Company or controlled entities under the Sobi License, and any other Gross Proceeds will be distributed, net of specified deductions, to holders of the CVRs. There is no obligation to the Company to fund any amount related to the CVR liability. See Note 5, "Fair Value Measurements".

If the Company is unable to obtain additional funding on a timely basis, it may be forced to significantly curtail, delay, or discontinue one or more of its planned research or development programs or be unable to expand its operations or otherwise capitalize on its commercialization of its product candidates.

2. Summary of Significant Accounting Policies

Basis of presentation and consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Selecta (RUS), LLC, or Selecta (RUS), a Russian limited liability corporation, and Cartesian Bio, LLC, a Delaware limited liability company, which is a variable interest entity for which the Company is the primary beneficiary and have been prepared in conformity with accounting principles generally accepted in the United States of America, or U.S. GAAP. Any reference in these notes to applicable guidance is meant to refer to the authoritative United States generally accepted accounting principles as found in the relevant Accounting Standards Codification, or ASC, and Accounting Standards Update, or ASU, of the Financial Accounting Standards Board, or FASB. All significant intercompany accounts and transactions have been eliminated.

The accompanying unaudited consolidated financial statements for the three and six months ended June 30, 2026 and 2025 have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission, or the SEC, for interim financial statements. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. These consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto for the year ended December 31, 2025 included in the Company's Annual Report on Form 10-K that was filed with the SEC on March 9, 2026. The unaudited interim financial statements have been prepared on the same basis as the audited consolidated financial statements. In the opinion of management, the accompanying unaudited interim consolidated financial statements contain all adjustments that are necessary for a fair statement of the Company's financial position as of June 30, 2026, the consolidated results of operations for the three and six months ended June 30, 2026, and cash flows for the six months ended June 30, 2026. Such adjustments are of a normal and recurring nature. The results of operations for the three and six months ended June 30, 2026 are not necessarily indicative of the results of operations that may be expected for the year ending December 31, 2026.

Significant accounting policies

The Company disclosed its significant accounting policies in Note 2, "Summary of Significant Accounting Policies" included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025. Other than described below, there have been no material changes to the Company's significant accounting policies during the six months ended June 30, 2026.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The Company's management considers many factors in selecting appropriate financial accounting policies and controls, and bases its estimates on historical experience and other market-specific or other relevant assumptions that it believes to be reasonable under the circumstances. In preparing these consolidated financial statements, management used significant estimates in the following areas, among others: estimated accrued research and development expenses, stock-based compensation expense, estimated fair value of the liability-classified warrants, estimated fair value of the embedded derivative and estimated fair value of the CVRs. The Company assesses the above estimates on an ongoing basis; however, actual results could materially differ from those estimates.

Fair Value of Financial Instruments

The Company's financial instruments consist mainly of cash equivalents, restricted cash, accounts receivable, accounts payable, accrued expenses and other current liabilities, warrants to purchase common stock, derivatives and contingent value rights. The carrying amounts of cash equivalents, restricted cash, accounts receivable, accounts payable, and accrued expenses and other current liabilities approximate their estimated fair value due to their short-term maturities.

Accounting standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-level hierarchy is used to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1—Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2—Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3—Level 3 inputs are unobservable inputs for the asset or liability in which there is little, if any, market activity for the asset or liability at the measurement date.

To the extent that a valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for instruments categorized in Level 3. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The fair value of warrant, the embedded derivative and contingent value rights liabilities are determined using Level 3 inputs.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Company's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Company uses prices and inputs that are current as of the measurement date, including during periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may change for many instruments. This condition could cause an instrument to be reclassified within levels in the fair value hierarchy.

Debt

The Company accounts for debt in accordance with ASC 470, *Debt with Conversion and Other Options* and ASC 835-30, *Interest - Imputation of Interest*. Debt is initially recognized at its carrying amount, net of unamortized debt issuance costs and debt discounts. Debt issuance costs and debt discounts allocated to outstanding debt, including original issue discount and any discount arising from the allocation of proceeds to bifurcated embedded features, are presented as a direct deduction from the carrying amount of the debt and are amortized to interest expense over the contractual term of the debt using the effective interest method. Debt issuance costs and debt discounts allocated to future, potential principal amounts are treated as financial commitment assets and deferred, and are amortized straight line over the contractual term of the debt. If the potential principal becomes outstanding debt, the remaining outstanding balance of the related deferred costs are re-classified as a direct deduction from the carrying amount of the debt and are amortized to interest expense over the contractual term of the debt using the effective interest method. If the debt includes a final payment fee, that fee is treated as part of the debt's effective yield and recognized as interest expense using the effective interest method over the term of the borrowing through accretion of the amount of the final payment fee as part of the total carrying value of the debt. Interest expense includes stated contractual interest, amortization of debt issuance costs, debt discounts, deferred debt issuance costs and deferred debt discounts, and accretion of any final payment fee.

Derivatives

The Company evaluates features embedded in debt agreements to determine whether bifurcation as a derivative instrument is required under ASC 815, *Derivatives and Hedging*. If bifurcation is required, the embedded derivative is recorded separately at fair value at inception, with an offsetting debt discount recorded against the related debt, and is subsequently remeasured to fair value at each reporting date with changes in fair value recognized in earnings. In circumstances where an embedded conversion option in a convertible instrument requires bifurcation and there are also other embedded derivative features in the convertible instrument that require bifurcation, the bifurcated derivative features are accounted for as a single, compound derivative instrument. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is reassessed at the end of each reporting period. Equity instruments that are initially classified as equity that become subject to reclassification are reclassified to a liability at the fair value of the instrument on the reclassification date. Derivative instrument liabilities are classified in the consolidated balance sheets as current or non-current based on whether or not settlement of the derivative instrument could require the Company to use current assets or record or relieve a current liability at the end of each reporting period.

Recent Accounting Pronouncements

Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement Reporting- Comprehensive Income- Expense Disaggregation Disclosures* (ASU 2024-03), which requires public companies to disclose, in interim and annual reporting periods, additional information about certain expenses in notes to financial statements, including purchases of inventory, employee compensation, depreciation, amortization of intangible assets, and selling expenses. This guidance will be effective for the annual period beginning the year ended December 31, 2027 and for interim periods beginning January 1, 2028, with

early adoption permitted. The Company is currently evaluating the impact of the standard's adoption on its consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU 2025-10, *Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities* (ASU 2025-10), which establishes authoritative guidance on the recognition, measurement, presentation, and disclosure of government grants. Under ASU 2025-10, government grants are recognized when it is probable that the entity will both comply with the conditions of the grant and the grant will be received. The ASU provides specific accounting models for grants related to assets and grants related to income, including options to recognize government grants as deferred income or as a reduction of the asset's cost basis. The ASU also requires enhanced disclosures regarding the nature of government grants, significant terms and conditions, accounting policies applied, and amounts recognized in the financial statements. ASU 2025-10 is effective for fiscal years beginning after December 15, 2028, including interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2025-10 on its consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements* (ASU 2025-11), which clarifies the guidance in Topic 270 to improve the consistency of interim financial reporting. The ASU provides a comprehensive list of required interim disclosures and introduces a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2025-11 on its consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU 2025-12, *Codification Improvements* (ASU 2025-12), which addresses suggestions received from stakeholders regarding the ASC and makes other incremental improvements to U.S. GAAP. The update represents changes to the ASC that clarify, correct errors in or make other improvements to a variety of topics that are intended to make it easier to understand and apply. ASU 2025-12 is effective for fiscal years beginning after December 15, 2026 and interim periods within those fiscal years. Entities are required to apply the amendments to ASC 260 *Earnings Per Share* retrospectively. All other amendments may be applied prospectively or retrospectively. The Company is currently evaluating the impact of adopting ASU 2025-12 on its consolidated financial statements and related disclosures.

3. Goodwill and Indefinite-Lived Intangible Assets

As of June 30, 2026, the Company has goodwill of approximately $48.2 million and an indefinite-lived intangible asset of $93.9 million related to Descartes-08 for MG.

There were no changes to the carrying value of the Company's goodwill or in-process research and development asset related to Descartes-08 for MG during the six months ended June 30, 2026 and 2025.

4. Net Income (Loss) Per Share Allocable to Common Stockholders

The following table sets forth the computation of basic and diluted net income (loss) per share allocable to common stockholders for the three and six months ended June 30, 2026 and 2025 (in thousands, except share and per-share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Numerators:				
Net income (loss)	$ 15,769	$ 15,886	$ (23,413)	$ (1,824)
Less: Undistributed earnings allocable to participating securities	(2,049)	(2,628)	—	—
Net income (loss) allocable to shares of common stock - basic and diluted	$ 13,720	$ 13,258	$ (23,413)	$ (1,824)
Denominators:				
Weighted-average common shares outstanding - basic	29,467,130	25,980,262	28,142,256	25,941,670
Dilutive effect of employee equity incentive plans	393,750	466,989	—	—
Weighted-average common shares outstanding - diluted	29,860,880	26,447,251	28,142,256	25,941,670
Net income (loss) per share allocable to common stockholders:				
Basic	$ 0.47	$ 0.51	$ (0.83)	$ (0.07)
Diluted	$ 0.46	$ 0.50	$ (0.83)	$ (0.07)

The following table represents the potential dilutive shares of common stock excluded from the computation of the diluted net income (loss) per share allocable to common stockholders for all periods presented, as the effect would have been anti-dilutive:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Common stock options and restricted stock units	2,939,964	2,336,681	4,020,722	3,030,053
Warrants to purchase common stock	692,272	692,523	692,272	692,523
Series A Preferred Stock	3,268,345	4,026,346	3,268,345	4,026,346
Series B Preferred Stock	437,927	437,927	437,927	437,927
Conversion Option (See Note 5)	605,869	—	605,869	—
Total	7,944,377	7,493,477	9,025,135	8,186,849

5. Fair Value Measurements

The following tables present the Company's assets and liabilities that are measured and recorded at fair value on a recurring basis as of June 30, 2026 and December 31, 2025 (in thousands):

	June 30, 2026			
	Total	Level 1	Level 2	Level 3
Assets:				
Money market funds (included in cash equivalents)	$ 146,630	$ 146,630	$ —	$ —
Total assets	$ 146,630	$ 146,630	$ —	$ —
Liabilities:				
Warrant liability	$ 165	$ —	$ —	$ 165
Embedded derivative	11,940	—	—	11,940
Contingent value rights liability	356,700	—	—	356,700
Total liabilities	$ 368,805	$ —	$ —	$ 368,805

	December 31, 2025			
	Total	Level 1	Level 2	Level 3
Assets:				
Money market funds (included in cash equivalents)	$ 122,724	$ 122,724	$ —	$ —
Total assets	$ 122,724	$ 122,724	$ —	$ —
Liabilities:				
Warrant liability	$ 141	$ —	$ —	$ 141
Contingent value rights liability	392,100	—	—	392,100
Total liabilities	$ 392,241	$ —	$ —	$ 392,241

There were no transfers within the fair value hierarchy during the six months ended June 30, 2026 or the year ended December 31, 2025.

Cash, Cash Equivalents, and Restricted Cash

As of June 30, 2026 and December 31, 2025, money market funds were classified as cash and cash equivalents on the accompanying consolidated balance sheets as they mature within 90 days from the date of purchase.

As of June 30, 2026, the Company had restricted cash balances relating to secured letters of credit in connection with its real estate leases. The Company's consolidated statements of cash flows include the following as of June 30, 2026 and 2025 (in thousands):

	June 30,	
	2026	2025
Cash and cash equivalents	$ 147,606	$ 160,324
Long-term restricted cash	1,735	1,735
Total cash, cash equivalents, and restricted cash	$ 149,341	$ 162,059

Warrants to Purchase Common Stock

In April 2022, the Company issued warrants in connection with an underwritten offering, or the 2022 Warrants. Pursuant to the terms of the 2022 Warrants, the Company could be required to settle the 2022 Warrants in cash in the event of an acquisition of the Company under certain circumstances and, as a result, the 2022 Warrants are required to be measured at fair value and reported as a liability on the balance sheet.

The Company recorded the fair value of the 2022 Warrants upon issuance using the Black-Scholes valuation model and is required to revalue the 2022 Warrants at each reporting date, with any changes in fair value recorded in the statements of operations and comprehensive income (loss). The valuation of the 2022 Warrants is classified as Level 3 of the fair value

hierarchy due to the need to use assumptions in the valuation that are both significant to the fair value measurement and unobservable, including the stock price volatility and the expected life of the 2022 Warrants. Generally, increases (decreases) in the fair value of the underlying stock and estimated term would result in a directionally similar impact to the fair value measurement.

The estimated fair value of the 2022 Warrants was determined using the following inputs to the Black-Scholes simulation valuation:

- Estimated fair value of the underlying stock. The Company estimates the fair value of the common stock based on the closing stock price at the end of each reporting period.
- Risk-free interest rate. The risk-free interest rate is based on the U.S. Treasury at the valuation date commensurate with the expected remaining life assumption.
- Dividend rate. The dividend rate is based on the historical rate, which the Company anticipates will remain at zero.
- Expected life. The expected life of the 2022 Warrants is assumed to be equivalent to their remaining contractual term which expires on April 11, 2027.
- Volatility. The Company estimates stock price volatility based on the Company's historical volatility for a period of time commensurate with the expected remaining life of the 2022 Warrants.

A summary of the Black-Scholes pricing model assumptions used to record the fair value of the 2022 Warrants liability is as follows:

	June 30, 2026	December 31, 2025
Risk-free interest rate	4.01%	3.48%
Dividend yield	—	—
Expected life (in years)	0.78	1.28
Expected volatility	92.40%	87.36%

The following table reflects a roll-forward of fair value for the Company's Level 3 warrant liabilities (see Note 10, "Equity" to these unaudited consolidated financial statements) for the six months ended June 30, 2026 (in thousands):

	Warrant liability
Fair value as of December 31, 2025	$ 141
Change in fair value	24
Fair value as of June 30, 2026	$ 165

Embedded Derivative

The Company evaluated the Loan Agreement (as defined below) for embedded features that require separate accounting as derivatives. The Company identified the Conversion Option (as defined below) and certain default, acceleration, indemnification and contingent payment features as embedded derivatives that require bifurcation, collectively referred to as the Compound Derivative. Other features, including prepayment rights, the variable interest rate with a floor, rights to invest in a future qualified financing and beneficial ownership limits, did not require bifurcation because they were either not applicable, clearly and closely related to the debt host, or qualified for a scope exception.

The Company assessed the fair value of the Compound Derivative based on the probability, timing and magnitude of potential cash flows associated with each bifurcated feature. Based on the contingent nature of the triggering events, the absence of known triggering events as of the Closing Date (as defined below) and June 30, 2026, and the Company's compliance with the terms of the Loan Agreement, the Company determined that the fair value of the Compound Derivative liability was primarily attributable to the Conversion Option. The fair value of the remaining bifurcated features was not material as of the Closing Date or June 30, 2026.

The Company estimated the fair value of the Conversion Option using a Black-Scholes model. The valuation is classified as Level 3 in the fair value hierarchy because it uses significant unobservable inputs, including the Company's stock price, expected term and volatility. Variations in the inputs included below may result in materially different fair value measurements depending on the conditions or assumptions applied. Increases or decreases in the underlying stock price, expected term and expected volatility generally result in corresponding changes in the estimated fair value.

The estimated fair value of the Conversion Option was determined using the following inputs to the Black-Scholes model:

- Estimated fair value of the underlying common stock. The Company estimates the fair value of the common stock based on the closing stock price as of the applicable valuation date.
- Strike price. The Company uses the most favorable conversion price associated with the Conversion Option.
- Risk-free interest rate. The risk-free interest rate is based on the U.S. Treasury at the valuation date commensurate with the expected remaining life assumption.
- Dividend rate. The dividend rate is based on the historical rate, which the Company anticipates will remain at zero.
- Expected life. The Company estimated an expected life of the Conversion Option which primarily considers the contractual remaining life of the Term Loan Facility, but also considers stock price trends and if the Conversion Option is in or out of the money.
- Expected Volatility. The Company estimates stock price volatility based on the Company's historical volatility for a period of time commensurate with the expected remaining life of the Conversion Option.

The following table sets forth the inputs to the Black-Scholes models that were used to value the Conversion Option as of the Closing Date and June 30, 2026:

	June 30, 2026	May 22, 2026
Stock price	$ 10.42	$ 6.75
Strike price	$ 8.2526	$ 8.2526
Risk-free interest rate	4.14%	4.21%
Dividend yield	—	—
Expected life (in years)	2.5	3.69
Expected volatility	97.26%	89.94%

The Compound Derivative is not designated as a hedging instrument and is accounted for separately from the host debt instrument. The Compound Derivative is remeasured at each reporting date, with changes in fair value recognized in the consolidated statements of operations and comprehensive income (loss). The fair value of the Compound Derivative is included within "Long-term debt" in the consolidated balance sheet as of June 30, 2026.

In connection with the Loan Agreement and as a result of the Compound Derivative, the Company recognized a debt discount and a corresponding derivative liability for the Compound Derivative, based on an initial estimated fair value of approximately $7.4 million. The discount will be amortized to interest expense over the term of the Loan Agreement using the effective interest method.

The following table reflects a roll-forward of fair value for the Company's Level 3 Compound Derivative for the six months ended June 30, 2026 (in thousands):

	Compound Derivative
Fair value as of December 31, 2025	$ —
Initial recognition on the Closing Date	7,405
Change in fair value	4,535
Fair value as of June 30, 2026	$ 11,940

Contingent Value Rights

In December 2023, the Company entered into a contingent value rights agreement, or the CVR Agreement, pursuant to which each holder of common stock or a 2022 Warrant in December 2023 was distributed a CVR by the Company. Each CVR entitles its holder to distributions of milestone and royalty payments under the Sobi License, net of deductions. See Note 6, "Fair Value Measurements" to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 for further discussion of the terms related to the CVR Agreement.

The CVRs represent financial instruments that are accounted for under the fair value option election in ASC 825, *Financial Instruments*. Under the fair value option election, the CVRs are initially measured at the aggregate estimated fair value of the

CVRs and will be subsequently remeasured at estimated fair value on a recurring basis at each reporting period date. The estimated fair value of the CVR liability was determined using a Monte Carlo simulation model to estimate future cash flows associated with the legacy assets, including the expected milestone and royalty payments under the Sobi License, net of deductions. Changes in fair value of the CVR liability are presented in the consolidated statements of operations and comprehensive income (loss). The liability value is based on significant inputs not observable in the market such as estimated cash flows, estimated probabilities of success, and expected volatility of future revenues, which represent a Level 3 measurement within the fair value hierarchy. The significant inputs used to estimate the fair value of the CVR liability, which represented a financial instrument being accounted for under the fair value option, were as follows:

	June 30, 2026	December 31, 2025
Estimated cash flow dates	2027 - 2038	2026 - 2037
Estimated probability of success	95.0% - 100.0%	95.0% - 100.0%
Expected volatility of future revenues	23.0%	23.0%

The following table reflects a roll-forward of fair value for the Company's Level 3 CVR liability for the six months ended June 30, 2026 (in thousands):

	CVR liability
Fair value as of December 31, 2025	$ 392,100
Change in fair value	(35,400)
Fair value as of June 30, 2026	$ 356,700

Assets and Liabilities Not Recorded at Fair Value

The Company's Term Loan Facility (as defined below) is carried at amortized cost. The fair value of the Term Loan Facility, including the Compound Derivative, was estimated to be $54.2 million as of June 30, 2026. The fair value was determined using a combination of a discounted cash flow analysis for the Term Loan Facility's' contractual payments, combined with the fair value of the Compound Derivative, See Note 9 "Debt" to these unaudited consolidated financial statements for more information. The Company classifies the fair value of the Term Loan Facility within Level 3 of the fair value hierarchy because the fair value is derived using significant unobservable inputs.

6. Property and Equipment

Property and equipment consists of the following (in thousands):

	June 30, 2026	December 31, 2025
Laboratory equipment	$ 9,416	$ 8,419
Computer equipment and software	417	417
Leasehold improvements	6,827	4,177
Furniture and fixtures	307	269
Office equipment	170	170
Construction in process	301	3,466
Total property and equipment	17,438	16,918
Less: Accumulated depreciation	(6,127)	(4,733)
Property and equipment, net	$ 11,311	$ 12,185

Depreciation expense was $0.8 million and $0.6 million for the three months ended June 30, 2026 and 2025, respectively, and $1.4 million and $1.2 million for the six months ended June 30, 2026 and 2025, respectively.

7. Accrued Expenses

Accrued expenses consist of the following (in thousands):

	June 30, 2026	December 31, 2025
Payroll and employee related expenses	$ 2,641	$ 3,985
Collaboration and licensing	1,044	320
Accrued patent fees	147	205
Accrued research and development costs	7,955	2,521
Accrued professional and consulting services	2,528	2,059
Accrued interest	497	—
Accrued equity offering costs	32	30
Other	298	378
Accrued expenses	$ 15,142	$ 9,498

8. Leases

The Company maintains operating leases for manufacturing, laboratory and office space located in Maryland and Massachusetts. In Frederick, Maryland, the Company occupies over 35,000 total square feet of integrated space under a lease agreement, or the Frederick Lease Agreement, and subsequent amendments entered into between February 2024 and June 2025, or the Amended Frederick Lease Agreement. The Amended Fredrick Lease Agreement is set to expire in 2031, carries an aggregate annual base rent of approximately $1.4 million and is subject to annual increases in accordance with the terms of the Amended Frederick Lease Agreement. See Note 9, “Leases” to the consolidated financial statements included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025 for further discussion of the Company’s leases.

For the three and six months ended June 30, 2026 and 2025, the components of lease costs were as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Operating lease cost	$ 569	$ 571	$ 1,153	$ 1,155
Variable lease cost	419	426	850	832
Short-term lease cost	90	8	94	19
Less: Sublease income	(132)	—	(132)	—
Total lease cost	$ 946	$ 1,005	$ 1,965	$ 2,006

The maturity of the Company’s operating lease liabilities as of June 30, 2026 were as follows (in thousands):

	June 30, 2026
2026 (remainder)	$ 2,390
2027	4,554
2028	2,529
2029	1,630
2030	1,679
Thereafter	852
Total future minimum lease payments	13,634
Less: Imputed interest	2,632
Total operating lease liabilities	$ 11,002

Other information related to operating leases was as follows:

	June 30,	
	2026	2025
Cash paid for amounts included in the measurement of lease liabilities (in thousands)	$ 2,351	$ 1,415
Weighted-average remaining lease term	3.5 years	4.2 years
Weighted-average discount rate	12.3%	11.8%

The changes in the Company's right-of-use assets and lease liabilities for the six months ended June 30, 2026 and 2025 are reflected in the non-cash lease expense and accrued expenses and other liabilities, respectively, in the consolidated statements of cash flows.

9. Debt

Loan and Security Agreement with K2 HealthVentures LLC

On May 22, 2026, or the Closing Date, the Company entered into a Loan and Security Agreement, or the Loan Agreement, with K2 HealthVentures LLC, or K2HV, as administrative agent, certain financial institutions party thereto as lenders (including K2HV) and Ankura Trust Company, LLC, as collateral trustee. The Loan Agreement provides for a senior secured term loan facility with aggregate commitments of up to $150.0 million available in four tranches, or the Term Loan Facility, comprised of:

- a first tranche term loan in an aggregate principal amount of $50.0 million, funded on the Closing Date, or the First Tranche;
- a second tranche term loan in an aggregate principal amount of $25.0 million, available to be drawn between January 1, 2027 and December 1, 2027 subject to the Company's achievement of specified clinical and financing milestones on or prior to December 1, 2027, or the Second Tranche;
- a third tranche term loan in an aggregate principal amount of $25.0 million, available to be drawn between January 1, 2028 and June 1, 2028 subject to the Company's achievement of specified approval and sales milestones on or prior to June 1, 2028, or the Third Tranche; and
- a fourth tranche term loan in an aggregate principal amount of up to $50.0 million, available in the lenders' sole discretion.

The Term Loan Facility bears interest at a variable annual rate equal to the greater of (i) 8.95% and (ii) the prime rate as quoted in The Wall Street Journal plus 2.20%, payable monthly in arrears on the first calendar day of each month. The Term Loan Facility matures on June 1, 2030 and provides for interest-only payments for the first 36 months following the Closing Date, followed by 12 equal monthly payments of principal and interest commencing on the amortization date of July 1, 2029.

The Company may, at its option, prepay all, but not less than all, of the outstanding principal balance together with accrued and unpaid interest and all amounts then due under the Loan Agreement, subject to a prepayment premium and an end of term fee. In addition, prior to repayment in full of the Term Loan Facility, the lenders may jointly elect to convert up to $15.0 million of the outstanding principal into shares of the Company's common stock, and/or certain other securities issued in a qualifying financing, or the Conversion Shares, subject to a $5.0 million conversion limit prior to the first anniversary of the Closing Date, at a conversion price equal to, at the lenders' election, either (i) if the relevant Conversion Shares are common stock, $8.2526 per share of common stock or (ii) if the relevant Conversion Shares are shares of common stock or other securities issued in a qualifying financing, the lowest effective price per share or other security in the Company's next qualified financing; provided, that to the extent such securities issued in a qualifying financing are convertible securities, the conversion price shall equal $1.00 for each $1.00 of notional principal represented by such convertible securities, or the Conversion Option. No prepayment premium applies to principal amounts converted into equity. The Loan Agreement also provides the lenders with certain registration rights, a right to participate in future qualified financings of the Company up to an aggregate of $5.0 million, and customary conversion mechanics and beneficial ownership limitations. As of June 30, 2026, no portion of the outstanding principal had been converted into equity.

Beginning April 1, 2027, the Loan Agreement requires the Company to maintain a minimum unrestricted cash balance at all times when the Company's market capitalization is less than $750.0 million of at least 80% of the Company's outstanding obligations to the lenders, subject to reduction to 50% upon achievement of the Second Tranche Milestone, as defined in the Loan Agreement, and will revert to 80% if the Third Tranche Milestone, as defined in the Loan Agreement, is not achieved by the applicable date. Beginning on January 1, 2029, the Loan Agreement requires the Company to maintain compliance with a minimum trailing three-month net product revenue covenant of $40.0 million, tested as of the last day of each calendar quarter, with required quarter-over-quarter growth.

The Company's obligations under the Loan Agreement are secured by a first priority security interest in substantially all of the Company's assets, excluding intellectual property, which is subject to a negative pledge. The Loan Agreement contains customary affirmative and negative covenants, including restrictions on additional indebtedness, liens, dividends, investments, asset sales, repurchase of equity, certain affiliate transactions, changes of control, mergers or acquisitions, as well as customary events of default. The Loan Agreement contemplates that the Company's existing and future material domestic subsidiaries will be required to become co-borrowers or guarantors and to grant a security interest in their assets to secure the obligations under the Loan Agreement. As of June 30, 2026, the Company was in compliance with all covenants under the Loan Agreement.

In connection with the initial borrowing, the Company recognized a $7.4 million debt discount associated with the Compound Derivative, incurred approximately $2.8 million of debt issuance costs and an approximately $1.2 million original issue discount. The amortized cost of the Compound Derivative is included within "Long-term debt" in the consolidated balance sheet as of June 30, 2026. The debt issuance costs and original issue discount were allocated among the funded and contingent borrowing tranches, of which approximately $1.4 million and $0.6 million were allocated to the First Tranche, respectively, and the amortized cost is included within "Long-term debt" in the consolidated balance sheet as of June 30, 2026. The remaining $1.4 million and $0.6 million were allocated to Second Tranche and Third Tranche, respectively, and are deferred within "Long-term prepaid expenses and other assets" in the consolidated balance sheet as of June 30, 2026, and until the related tranche is funded. Deferred debt issuance costs and original issue discount are amortized to interest expense over the term of the Loan Agreement using the straight-line method.

The Company is also required to pay a final payment fee equal to 6.95% of funded principal, or approximately $3.5 million based on the amount funded as of June 30, 2026, which is accreted to interest expense over the term of the Loan Agreement using the effective interest method.

Outstanding debt consisted of the following (in thousands):

	June 30, 2026
Term Loan Facility principal	$ 50,000
Add: Compound Derivative measured at fair value	11,940
Add: accreted final payment fee	81
Less: unamortized Compound Derivative discount	(7,232)
Less: unamortized debt issuance costs	(1,371)
Less: unamortized original issue discount	(567)
Long-term debt, net	$ 52,851

The following table provides the components of interest expense (in thousands):

	Three and Six Months Ended June 30, 2026
Contractual interest	$ 497
Amortization of Compound Derivative discount	173
Amortization of debt issuance costs	33
Amortization of original issue discount	14
Accretion of final payment fee	81
Amortization of deferred debt issuance costs	38
Amortization of deferred original issue discount	16
Total interest expense	$ 852

For the six months ended June 30, 2026, the effective interest rate for the Term Loan Facility was approximately 17.7%.

Future principal payments, excluding contractual interest but including the final payment fee of approximately $3.5 million, in connection with the Loan Agreement as of June 30, 2026 are as follows (in thousands):

	June 30, 2026
2026 (remainder)	$ —
2027	—
2028	—
2029	28,586
2030	24,889
Total principal payments including final payment fee	$ 53,475

10. Equity

Equity Financings

"At the Market" Sales Agreement

On December 13, 2024, the Company entered into a Sales Agreement, or the Sales Agreement, with Leerink Partners LLC to sell shares of the Company's common stock, from time to time, through an "at the market" equity offering program under which Leerink Partners LLC will act as sales agent. The shares of common stock sold pursuant to the Sales Agreement will be issued pursuant to the Company's shelf registration statement on Form S-3 (File No. 333-283803), filed on December 13, 2024 with the SEC and related prospectus supplement, filed on January 8, 2025 with the SEC, for aggregate gross sales proceeds of up to $100.0 million.

During the six months ended June 30, 2026, the Company sold 2,813,736 shares of its common stock pursuant to the Sales Agreement for net proceeds of approximately $19.3 million after commissions and expenses. As of June 30, 2026, approximately $78.9 million remains available under the at the market program. There were no shares sold pursuant to the Sales Agreement during the six months ended June 30, 2025.

Warrants

During the six months ended June 30, 2026, there were no warrants issued, exercised, or cancelled. The following is a summary of the Company's warrants as of June 30, 2026:

	Number of Warrants			
	Equity classified	Liability classified	Total	Weighted-average exercise price
Outstanding at June 30, 2026	6,560	685,712	692,272	$ 46.76

See Note 11, "Equity" to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 for further discussion of the terms related to the Company's warrants.

Preferred Stock

As of June 30, 2026, the Company had 98,050 shares of Series A Preferred Stock and 437,927 shares of Series B Preferred Stock issued and outstanding, respectively, which together are convertible into an aggregate of 3,706,272 shares of common stock.

In April 2026, 22,740 shares of Series A Preferred Stock were converted into 758,001 shares of common stock.

Reserved Shares

The Company has reserved shares of common stock for future issuance as of June 30, 2026 as follows:

	June 30, 2026
Exercise of warrants	692,272
Shares available for future stock incentive awards	4,457,032
Common stock options reserved for issuance	10,000
Unvested restricted stock units	648,078
Outstanding common stock options	3,362,644
Series A Preferred Stock	3,268,345
Series B Preferred Stock	437,927
Conversion Option	605,869
Shares reserved for issuance under the at the market offering	36,600
Total	13,518,767

11. Stock Incentive Plans

In June 2016, the Company's stockholders approved the 2016 Incentive Award Plan, or the 2016 Plan, which initially authorized 40,341 shares of common stock for future issuance under the 2016 Plan. Pursuant to the terms of the 2016 Plan, the Board of Directors is authorized to grant awards with respect to common stock, and may delegate to a committee of one or more members of the Board of Directors or executive officers of the Company the authority to grant options and restricted stock units. The Board of Directors established a Stock Option Committee which is authorized to grant awards to certain employees and consultants subject to conditions and limitations within the 2016 Plan. In January 2026, the number of shares of common stock that may be issued under the 2016 Plan was increased by 1,040,444. As of June 30, 2026, 3,410,201 shares remain available for future issuance under the 2016 Plan.

In September 2018, the Company's 2018 Employment Inducement Incentive Award Plan, or the 2018 Inducement Incentive Award Plan, was adopted by the Board of Directors without stockholder approval pursuant to Rule 5635(c)(4) of the Nasdaq Stock Market LLC listing rules, which initially authorized 39,166 shares of its common stock for issuance. In June 2026, the Board of Directors approved an amendment and restatement of the 2018 Inducement Incentive Award Plan to reserve an additional 750,000 shares of the Company's common stock for issuance thereunder. As of June 30, 2026, there were 942,751 shares available for future grant under the 2018 Inducement Incentive Award Plan.

On November 2023, the Company assumed the 2016 Stock Incentive Plan, or the Old Cartesian Plan, of the then private company that merged with the Company in November 2023, or Old Cartesian. The Old Cartesian Plan permits the granting of options or restricted stock to employees, officers, directors, consultants and advisors to the Company. The unvested common stock options and Series A Preferred Stock options assumed by the Company generally vest over a four-year period. Additionally, the stock options granted have a contractual term of ten years and only full shares can be exercised as per the individual award agreements. As of June 30, 2026, there were 58,285 shares available for future grant under the Old Cartesian Plan.

The outstanding stock options to purchase Old Cartesian common stock were converted into stock options to purchase 776,865 shares of common stock and 14,112.299 shares of Series A Preferred Stock of the Company. The replacement awards that were issued as a part of the assumption of the Old Cartesian Plan resulted in $2.6 million attributed to post-combination service to be recognized as stock-based compensation expense over the remaining terms of the replacement awards, of which less than $0.1 million and $0.2 million was recognized during the three months ended June 30, 2026 and 2025, respectively,

and $0.1 million and $0.4 million was recognized during the six months ended June 30, 2026 and 2025, respectively, as research and development expense in the consolidated statements of operations and comprehensive income (loss).

Stock-Based Compensation Expense

Stock-based compensation expense by classification included within the consolidated statements of operations and comprehensive income (loss), was as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Research and development	$ 614	$ 1,810	$ 1,563	$ 3,085
General and administrative	1,469	1,469	2,943	2,702
Total stock-based compensation expense	$ 2,083	$ 3,279	$ 4,506	$ 5,787

Stock Options

The estimated grant date fair values of stock option awards granted under the 2016 Plan and the 2018 Inducement Incentive Award Plan were calculated using the Black-Scholes option pricing model based on the following weighted-average assumptions:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Risk-free interest rate	4.18%	4.05%	3.94%	4.42%
Dividend yield	—	—	—	—
Expected term (in years)	6.00	6.15	5.97	6.20
Expected volatility	89.10%	95.12%	92.55%	97.21%
Weighted-average fair value of common stock	$ 6.33	$ 11.80	$ 6.79	$ 16.89

The expected term of the Company's stock options granted has been determined utilizing the "simplified" method for awards that qualify as "plain-vanilla" options. Under the simplified method, the expected term is presumed to be the midpoint between the vesting date and the end of the contractual term. The Company utilizes this method due to lack of historical exercise data and the plain nature of its stock-based awards. Expected volatilities are based on the Company's historical volatility.

The weighted-average grant date fair value of stock options granted during the three months ended June 30, 2026 and 2025 was $4.80 and $9.32, respectively, and $5.23 and $13.56 during the six months ended June 30, 2026 and 2025, respectively.

As of June 30, 2026, total unrecognized compensation expense related to unvested common stock options was approximately $12.6 million, which is expected to be recognized over a weighted average period of approximately 3.0 years.

The following table summarizes the stock option activity under the 2016 Plan, the 2018 Inducement Incentive Award Plan, and the Old Cartesian Plan for options for common stock:

	Number of Common Stock Options	Weighted-average Exercise Price ($)	Weighted-average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding at December 31, 2025	2,463,747	$ 13.72	6.41	$ 2,962
Granted	1,680,200	$ 6.68		
Reserved for issuance	(10,000)	$ 1.41		
Exercised	(278,341)	$ 2.34		
Forfeited	(492,962)	$ 14.42		
Outstanding at June 30, 2026	3,362,644	$ 11.08	8.11	$ 8,604
Vested at June 30, 2026	974,036	$ 12.97	5.64	$ 2,601
Vested and expected to vest at June 30, 2026	3,013,426	$ 11.23	7.98	$ 7,674

Restricted Stock Units

During the six months ended June 30, 2026, the Company granted 420,650 restricted stock unit awards with a weighted-average fair value of $6.76 per share based on the closing price of the Company's common stock on the date of grant under the 2016 Plan, which generally vest over a four-year term. Forfeitures are estimated at the time of grant and are adjusted, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The Company has estimated a forfeiture rate of 10% for restricted stock unit awards based on historical experience.

Unrecognized compensation expense related to the restricted stock units was approximately $5.2 million as of June 30, 2026, which is expected to be recognized over a weighted-average period of approximately 2.8 years.

The following table summarizes the Company's restricted stock units under the 2016 Plan and the Old Cartesian Plan:

	Number of Shares	Weighted-average Grant Date Fair Value ($)
Unvested at December 31, 2025	522,498	$ 18.44
Granted	420,650	6.76
Vested	(169,278)	18.59
Forfeited	(125,792)	13.12
Unvested at June 30, 2026	648,078	$ 11.85

12. Revenue Arrangements

Collaboration and license revenue

Swedish Orphan Biovitrum AB (publ.)

In June 2020, the Company and Sobi entered into the Sobi License, which was subsequently amended in October 2023. Pursuant to the Sobi License, the Company agreed to grant Sobi an exclusive, worldwide (except as to Greater China) license to develop, manufacture and commercialize the Nanoecapsulated Sirolimus plus Pegadricase, or NASP, formerly known as SEL-212, drug candidate, which is currently in development for the treatment of chronic refractory gout. The NASP drug candidate is a pharmaceutical composition containing a combination of a pegylated uricase known as SEL-037, or the Compound, and nanoparticle-encapsulated form of rapamycin, known as ImmTOR. Pursuant to the Sobi License, in consideration of the license, Sobi agreed to pay the Company a one-time, upfront payment of $75.0 million. Sobi has also agreed to make milestone payments totaling up to $630.0 million to the Company upon the achievement of various development and regulatory milestones and, if commercialized, sales thresholds for annual net sales of NASP, and tiered royalty payments ranging from the low double digits on the lowest sales tier to the high teens on the highest sales tier. A more detailed description of the Sobi License and the Company's evaluation of this agreement under ASC 606 can be found in Note 13, "Revenue Arrangements" to the consolidated financial statements in the Company's Annual Report on Form 10-K for the year ended December 31, 2025. Any proceeds received from milestone payments or royalties relating to the Sobi License would be required to be distributed to holders of CVRs, net of certain deductions.

On June 28, 2024, Sobi initiated a rolling biologics license application to the FDA for NASP for the potential treatment of chronic refractory gout which resulted in the achievement of a development milestone and a $30.0 million payment obligation from Sobi to the Company. As a result, the development milestone was no longer constrained and $30.0 million was recognized as revenue during the year ended December 31, 2024 as there were no remaining performance obligations under the Sobi License. The proceeds from the achievement of the development milestone were received from Sobi in July 2024 and were included, net of deductions as specified in the CVR Agreement, in the distribution to holders of the CVRs in March 2025.

Grant revenue

National Institute of Neurological Disorders and Stroke of the National Institutes of Health

In June 2024, the Company received funding approval from the National Institute of Neurological Disorders and Stroke of the National Institutes of Health, or NINDS, for an award of $1.5 million granted for the budget period, which ran from June 2024 through May 2025. In June 2025, the Company received funding approval from NINDS for an additional award of $1.5 million granted for the budget period that ran from June 2025 through May 2026. The funding was provided by NINDS to further the Company's use of RNA-based CAR-T cells to combat autoantibody-associated autoimmune disorders. Grant funding is to be used solely for manufacturing of RNA-based CAR-T cells and analysis of samples to inform mechanism of action. The award period ran through May 31, 2026. The Company will recognize grant revenue when expenses reimbursable under the grant have been incurred.

As of June 30, 2026, the award period has ended, there is no outstanding receivable and there is no further amount subject to reimbursement by NINDS. As of December 31, 2025, the Company recorded a receivable of $0.9 million that is subject to reimbursement by NINDS. The Company recognized no grant revenue and grant revenue of $0.1 million during the three and six months ended June 30, 2026, respectively. The Company recognized grant revenue of $0.2 million and $0.9 million during the three and six months ended June 30, 2025, respectively.

Transaction Price Allocated to Future Performance Obligations

Remaining performance obligations represent the transaction price of contracts for which work has not been performed, or has been partially performed. As of June 30, 2026 and December 31, 2025, there were no unsatisfied performance obligations from contracts with customers.

13. Collaboration and License Agreements

WestGene Biopharma Co., Ltd.

On June 8, 2026, the Company entered into a license agreement, or the WestGene Agreement, with WestGene Biopharma Co., Ltd., or WestGene, to support the development of in vivo CAR-T-cell therapies for autoimmune diseases. Under the WestGene Agreement, WestGene granted the Company a non-exclusive, worldwide license, with the right to grant sublicenses, to certain technology and related intellectual property for the research, development, manufacture and commercialization of licensed products.

WestGene is responsible for performing certain development, manufacturing and related support activities pursuant to an agreed development plan and budget. The Company is responsible for funding such activities and generally controls future development, regulatory, commercialization and sublicensing activities for licensed products.

In consideration for the rights granted under the WestGene Agreement, the Company is obligated to make an upfront payment and to fund specified development activities. The WestGene Agreement also provides for potential development, regulatory and sales-based milestone payments, royalties on net sales of licensed products and certain sublicense revenue-sharing payments, in each case subject to the terms of the WestGene Agreement.

The Company accounts for amounts incurred under the WestGene Agreement based on the nature of the underlying activities. Upfront and development-stage payments that relate to research and development activities are recognized as research and development expense as incurred or as the related services are received. Amounts paid in advance of performance are recorded as prepaid research and development costs to the extent the Company retains a substantive right to future services. Contingent milestone, royalty and sublicense revenue-sharing payments are recognized when the related payment obligations are achieved or otherwise become payable under the WestGene Agreement.

During the three and six months ended June 30, 2026, the Company recognized $0.8 million in research and development expense. No development, regulatory or sales-based milestones had been achieved and the Company has not recognized any royalty expense or sublicense revenue-sharing expense as of June 30, 2026.

Biogen MA, Inc.

On September 8, 2023, the Company entered into a non-exclusive, sublicensable, worldwide, perpetual patent license agreement, or the Biogen Agreement, with Biogen MA, Inc., or Biogen, to research, develop, make, use, offer, sell and import products or processes containing or using an engineering T-cell modified with an mRNA comprising, or encoding a protein comprising, certain sequences licensed under the Biogen Agreement for the prevention, treatment, palliation and management of autoimmune diseases and disorders, excluding cancers, neoplastic disorders, and paraneoplastic disorders. The Company is not obligated to pay Biogen any expenses, fees, or royalties.

The Company may terminate the Biogen Agreement for any reason or no reason, and Biogen may terminate the agreement after a notice-and-cure period of 30 days if the Company fails to pay a fee owed to Biogen or for any other material breach of the agreement. The Biogen Agreement will otherwise expire when all claims of all issued patents within the patents and patent applications licensed to the Company under the Biogen Agreement have expired or been finally rendered revoked, invalid or unenforceable by a decision of a court or government agency.

The Biogen Agreement encompasses patents and patent applications in the PCT/US2010/026825 patent family, which was filed March 10, 2010. In general, all patents that issue in this family have an expected expiration date of March 10, 2030, subject to potential patent term adjustments and/or extensions. For the U.S. patents and applications in this family, U.S. Patent 9,034,324 was awarded 677 days of patent term adjustment, which would extend the expiration date of this patent to January 16, 2032, absent any challenges to the patent term. The other issued patent in this family was not awarded any patent term adjustment, so its expected expiration date is March 10, 2030.

National Cancer Institute of the National Institutes of Health

Effective September 16, 2019, the Company entered into a nonexclusive, worldwide license agreement, or the NCI Agreement, with the U.S. Department of Health and Human Services, represented by the National Cancer Institute of the National Institutes of Health, or NCI.

Under the NCI Agreement, the Company was granted a license under certain NCI patents and patent applications designated in the agreement, to make, use, sell, offer and import products and processes within the scope of the patents and applications licensed under the NCI Agreement when developing and manufacturing anti-BCMA CAR-T cell products for the treatment of MG pemphigus vulgaris, and immune thrombocytopenic purpura according to methods designated in the NCI Agreement.

In connection with the Company's entry into the NCI Agreement, Old Cartesian paid to NCI a one-time $0.1 million license royalty payment. Under the NCI Agreement, the Company is further required to pay NCI a low five-digit annual royalty. The Company must also pay earned royalties on net sales in a low single-digit percentage and pay up to $0.8 million in benchmark royalties upon the Company's achievement of designated benchmarks that are based on the commercial development plan agreed between the parties.

Under the NCI Agreement, the Company must use reasonable commercial efforts to bring licensed products and licensed processes to the point of Practical Application (as defined in the NCI Agreement). Upon the Company's first commercial sale, the Company must use reasonable commercial efforts to make licensed products and licensed processes reasonably accessible to the United States public. After the Company's first commercial sale, the Company must make reasonable quantities of licensed products or materials produced via licensed processes available to patient assistance programs and develop educational materials detailing the licensed products. Unless the Company obtains a waiver from NCI, the Company must have licensed products and licensed processes manufactured substantially in the United States. Prior to the first commercial sale, upon NCI's request, the Company is obligated to provide NCI with commercially reasonable quantities of licensed products made through licensed processes to be used for in vitro research.

Additionally, the Company must use reasonable commercial efforts to submit a BLA with respect to a licensed product by the fourth quarter of 2026 and make a first commercial sale of a licensed product by the fourth quarter of 2028.

The NCI Agreement terminates upon the expiration of the last to expire of the patent rights licensed thereunder, if not sooner terminated. The NCI Agreement encompasses patents and patent applications in the PCT/US2013/032029 patent family, which was filed March 15, 2013. In general, all patents that issue in this family have an expected expiration of March 15, 2033, subject to potential patent term adjustments and/or extensions. For the U.S. patents and applications in this family, only two patents were awarded patent term adjustments. U.S. Patent 9,765,342 was awarded 297 days of patent term adjustment, which would extend the expiration date of this patent to January 6, 2034, absent any challenges to the patent term. The other patent, U.S. Patent 10,876,123, was awarded three days of patent term adjustment, but this patent is subject to terminal disclaimers filed against other family members, so this patent will not extend beyond the March 15, 2033 date. The other issued patents in this family were not awarded any patent term adjustment, so the expected expiration date for these patents also remains March

15, 2033. There is also a pending patent application which, if issued, will expire on March 15, 2033, but could also be subject to patent term adjustment and to any potential future terminal disclaimers.

NCI has the right to terminate the NCI Agreement, after giving written notice and providing a cure period in accordance with its terms, if the Company is in default of a material obligation. The Company has the unilateral right to terminate the agreement in any country or territory by giving NCI 60 days' written notice. The Company agreed to indemnify NCI against any liability arising out of the Company's, sublicensees' or third parties' use of the licensed patent rights and licensed products or licensed processes developed in connection with the licensed patent rights.

Shenyang Sunshine Pharmaceutical Co., Ltd

In May 2014, the Company entered into a license agreement, or the 3SBio License, with Shenyang Sunshine Pharmaceutical Co., Ltd., or 3SBio. The Company has paid to 3SBio an aggregate of $7.0 million in upfront and milestone-based payments under the 3SBio License as of June 30, 2026. The Company is required to make future payments to 3SBio contingent upon the occurrence of events related to the achievement of clinical and regulatory approval milestones of up to an aggregate of $15.0 million for products containing the Company's ImmTOR platform.

14. Income Taxes

As of June 30, 2026, the Company has not recorded any U.S. federal or state income tax benefits for either the net losses the Company has incurred or its earned research and orphan drug credits, due to the uncertainty of realizing a benefit from those items in the future.

15. Commitments and Contingencies

As of June 30, 2026, the Company was not a party to any litigation that could have a material adverse effect on the Company's business, financial position, results of operations or cash flows.

Other

As permitted under Delaware law, the Company indemnifies its officers, directors, consultants and employees for certain events or occurrences that happen by reason of the relationship with, or position held at the Company. Through June 30, 2026, the Company had not experienced any losses related to these indemnification obligations, and no claims were outstanding. The Company does not expect significant claims related to these indemnification obligations and, consequently, concluded that the fair value of these obligations is negligible, and no related reserves were established.

Additionally, as permitted under Delaware law, the Company indemnifies its directors for certain events or occurrences while the director is, or was, serving at the Company's request in such capacity. The term of the indemnification is for the director's lifetime. The maximum potential amount of future payments the Company could be required to make is unlimited; however, the Company has directors' insurance coverage that limits its exposure and enables it to recover a portion of any future amounts paid. The Company also has indemnification arrangements under certain of its facility leases that require it to indemnify the landlord against certain costs, expenses, fines, suits, claims, demands, liabilities, and actions directly resulting from certain breaches, violations, or non-performance of any covenant or condition of the Company's lease. The term of the indemnification is for the term of the related lease agreement. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is unlimited. To date, the Company had not experienced any material losses related to any of its indemnification obligations, and no material claims with respect thereto were outstanding.

16. Segment Reporting

The following table presents selected financial information with respect to the Company's single operating segment for the three and six months ended June 30, 2026 and 2025 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue:				
Collaboration and license revenue	$ —	$ —	$ —	$ 400
Grant revenue	—	298	78	998
Total revenue	—	298	78	1,398
Less:				
Operating expenses:				
Descartes-08 for MG	12,465	5,035	24,600	12,071
Descartes-08 for dermatomyositis	236	—	463	—
Early stage programs	971	1,715	1,326	2,705
Research and development employee expenses	4,027	4,254	7,855	7,956
Research and development stock-based compensation expense	614	1,810	1,563	3,085
Research and development facilities and other expenses	2,118	2,055	4,087	3,726
General and administrative	8,724	7,240	15,838	15,555
Other (income) expense, net [(1)]	(44,924)	(37,697)	(32,241)	45,098
Net income (loss)	$ 15,769	$ 15,886	$ (23,413)	$ (1,824)

[(1)] Includes interest income; interest expense; (loss) gain on change in fair value of warrant liability; loss on change in fair value of embedded derivative; gain on change in fair value of contingent value rights liability; and other income (expense), net.

17. Subsequent Events

The Company has evaluated subsequent events through the date on which the consolidated financial statements were issued. The Company has concluded that no subsequent events have occurred that require disclosure.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited consolidated financial statements and related notes appearing elsewhere in this Quarterly Report and with our audited financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2025, which we filed with the Securities and Exchange Commission, or the SEC, on March 9, 2026. In addition, you should read the "Risk Factors" and "Information Regarding Forward-Looking Statements" sections of this Quarterly Report and our Annual Report on Form 10-K for the year ended December 31, 2025 for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

We are a late clinical-stage biotechnology company pioneering cell therapy for the treatment of autoimmune diseases. We leverage our proprietary technology and manufacturing platform to introduce mRNA into cells to provide a therapeutic effect to patients suffering from a variety of autoimmune conditions. Unlike DNA, mRNA degrades naturally over time without integrating into the cell's genetic material. Our cell therapies are designed to be dosed repeatedly like conventional drugs, administered in an outpatient setting, and given without pre-treatment chemotherapy, which is required with many conventional cell therapies.

Financial Operations

To date, we have financed our operations primarily through public offerings and private placements of our securities, funding received from research grants, collaboration and license arrangements and credit facilities. We do not have any products approved for sale and have not generated any product sales.

We incurred net losses of $23.4 million and $1.8 million for the six months ended June 30, 2026 and 2025, respectively. As of June 30, 2026, we had an accumulated deficit of $845.8 million. We expect to continue to incur significant expenses and operating losses for the foreseeable future as we:

- continue to advance Descartes-08 for myasthenia gravis, or MG, through Phase 3 development;
- advance Descartes-08 for myositis into Phase 2 development;
- continue to develop our preclinical and clinical-stage product candidates;
- seek regulatory approvals for any product candidates that successfully complete clinical trials;
- maintain, expand and protect our intellectual property portfolio, including through licensing arrangements;
- hire additional staff, including clinical, scientific and management personnel; and
- incur additional costs associated with continuing to operate as a public company.

Until we can generate substantial product revenues, we expect to finance our cash needs through a combination of equity offerings, debt financings and license and collaboration agreements. We may be unable to raise capital when needed or on reasonable terms, if at all, which would force us to delay, limit, reduce or terminate our product development or future commercialization efforts. We will need to generate significant revenues to achieve profitability, and we may never do so.

We believe that our existing cash, cash equivalents, and restricted cash as of June 30, 2026 will enable us to fund our operating expenses and capital expenditure requirements for at least the next 12 months. 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.

Components of our Results of Operations

Collaboration and license revenue

To date, we have not generated any revenue from product sales. Our revenue consists primarily of collaboration and license revenue, which includes amounts recognized related to upfront and milestone payments for research and development funding under collaboration and license agreements. We expect that any revenue we generate will fluctuate from quarter to quarter because of the timing and amounts of fees, research and development reimbursements and other payments from collaborators. We do not expect to generate revenue from product sales for at least the next several years. If we or our collaborators fail to complete the development of our product candidates in a timely manner or fail to obtain regulatory approval as needed, our ability to generate future revenue will be harmed, and will affect the results of our operations and financial position. For further

descriptions of the agreements underlying our collaboration and license revenue, see Note 12, “Revenue Arrangements” to our unaudited consolidated financial statements included elsewhere in this Quarterly Report.

Grant revenue

We generate grant revenue, which consists of funding received to perform specific research and development services under grant arrangements.

Research and development expenses

Our research and development expenses consist of internal and external research and development costs, which primarily include fees paid to contract research organizations, internal manufacturing and quality related expenses, process development costs, internal research and development expenses, as well as fees paid to contract manufacturing organizations. These costs are primarily associated with compensation expenses for our research and development employees, capital equipment and supplies for our process development and manufacturing process, and other related expenses. Our internal research and development employees as well as our indirect costs are shared across multiple development programs and are not solely dedicated to individual programs.

We expense research and development costs as incurred. Conducting a significant amount of research and development is central to our business model. Product candidates in clinical development generally have higher development costs than those in earlier stages of development, primarily due to the size, duration and cost of clinical trials. The successful development of our clinical and preclinical product candidates is highly uncertain. Clinical development timelines, the probability of success and development costs can differ materially from our expectations. For example, if the FDA or another regulatory authority were to require us to conduct clinical trials beyond those which we currently expect will be required for the completion of clinical development of a product candidate, or if we experience significant delays in enrollment in any of our clinical trials, we could be required to expend significant additional financial resources and time to complete any clinical development.

General and administrative expenses

General and administrative expenses consist primarily of salaries and related benefits, including stock-based compensation, related to our executive, finance, business development and support functions. Other general and administrative expenses include facility-related costs not otherwise allocated to research and development expenses, travel expenses for our general and administrative personnel and professional fees for auditing, tax and corporate legal services, including intellectual property-related legal services.

Interest income

Interest income consists primarily of income earned on our cash, cash equivalents and marketable securities.

Interest expense

Interest expense consists of contractual interest related to the Loan and Security Agreement, or the Loan Agreement, with K2 HealthVentures LLC, or K2HV, as administrative agent, certain financial institutions party thereto as lenders (including K2HV) and Ankura Trust Company, LLC, as collateral trustee. The Loan Agreement provides for a senior secured term loan facility with aggregate commitments of up to $150.0 million available in four tranches, or the Term Loan Facility, subject to the satisfaction of certain conditions precedent. In addition to contractual interest, interest expense includes amortization of debt issuance costs and debt discounts, accretion of the final payment fee and amortization of deferred debt issuance costs and deferred debt discounts.

Gain (loss) on change in fair value of warrant liability

Common warrants classified as liabilities are remeasured quarterly at fair value with the change in fair value recognized as a component of earnings.

Gain (loss) on change in fair value of embedded derivative

Derivatives classified as liabilities are remeasured quarterly at fair value with the change in fair value recognized as a component of earnings.

Gain (loss) on change in fair value of contingent value rights liability

The contingent value rights liability is remeasured quarterly at fair value with the change in fair value recognized as a component of earnings.

Other income (expense), net

Other income (expense), net consists of non-operating income and non-operating expenses.

Results of Operations

Comparison of the Three Months Ended June 30, 2026 and 2025

	Three Months Ended June 30,			
	2026	2025	Increase (Decrease)	
	(in thousands, except percentages)			
Revenue:				
Collaboration and license revenue	$ —	$ —	$ —	NM
Grant revenue	—	298	(298)	(100)%
Total revenue	—	298	(298)	(100)%
Operating expenses:				
Research and development	20,431	14,869	5,562	37 %
General and administrative	8,724	7,240	1,484	20 %
Total operating expenses	29,155	22,109	7,046	32 %
Operating loss	(29,155)	(21,811)	(7,344)	34 %
Other income (expense):				
Interest income	1,103	1,748	(645)	(37)%
Interest expense	(852)	—	(852)	NM
(Loss) gain on change in fair value of warrant liabilities	(118)	654	(772)	(118)%
Loss on change in fair value of embedded derivative	(4,535)	—	(4,535)	NM
Gain on change in fair value of contingent value rights liability	49,200	35,300	13,900	39 %
Other income (expense), net	126	(5)	131	NM
Total other income, net	44,924	37,697	7,227	19 %
Net income	$ 15,769	$ 15,886	$ (117)	(1)%

NM - Not meaningful

Grant revenue

During the three months ended June 30, 2026, we recognized no grant revenue, compared to $0.3 million for the three months ended June 30, 2025, a decrease of $0.3 million. Grant revenue recognized during the three months ended June 30, 2025 was under the grant from the National Institute of Neurological Disorders and Stroke of the National Institutes of Health, or NINDS.

Research and development expenses

The following is a comparison of research and development expenses for the three months ended June 30, 2026 and 2025 (in thousands, except percentages):

	Three Months Ended June 30,			
	2026	2025	Increase (Decrease)	
Descartes-08 for MG	$ 12,465	$ 5,035	$ 7,430	148 %
Descartes-08 for dermatomyositis	236	—	236	NM
Early stage programs	971	1,715	(744)	(43)%
Research and development employee expenses	4,027	4,254	(227)	(5)%
Research and development stock-based compensation expense	614	1,810	(1,196)	(66)%
Research and development facilities and other expenses	2,118	2,055	63	3 %
Total research and development expenses	$ 20,431	$ 14,869	$ 5,562	37 %

NM - Not meaningful

For the three months ended June 30, 2026, our research and development expenses were $20.4 million, compared to $14.9 million for the three months ended June 30, 2025, an increase of $5.5 million. The increase was primarily due to an increase in expenses for Descartes-08 for MG, primarily related to the expenses for the ongoing Phase 3 AURORA trial. This increase was partially offset by a decrease in stock-based compensation expense and expenses for early stage programs, primarily related to our decision to no longer pursue development of Descartes-08 in systemic lupus erythematosus, partially offset by new costs associated with the license agreement, or the WestGene Agreement, with WestGene Biopharma Co., Ltd., or WestGene.

General and administrative expenses

For the three months ended June 30, 2026, our general and administrative expenses were $8.7 million, compared to $7.2 million for the three months ended June 30, 2025, an increase of $1.5 million. The increase was primarily the result of higher professional and consulting fees.

Interest income

Interest income for the three months ended June 30, 2026 was $1.1 million, compared to $1.7 million for the three months ended June 30, 2025, a decrease of $0.6 million. The decrease in interest income was due to decreased cash and cash equivalents balance and lower interest rates.

Interest expense

Interest expense for the three months ended June 30, 2026 was $0.9 million. Interest expense is related to the Term Loan Facility (as defined below) with K2HV (as defined below) and consists of contractual interest expense as well as the amortization of debt issuance costs, debt discounts, deferred debt issuance costs, deferred debt discounts and the accretion of the final payment fee. There was no interest expense for the three months ended June 30, 2025.

(Loss) gain on change in fair value of warrant liability

For the three months ended June 30, 2026, we recognized $0.1 million of expense from the increase in the fair value of warrant liability, compared to $0.7 million of income from the decrease in the fair value of warrant liability for the three months ended June 30, 2025, a change of $0.8 million. The increase in fair value of the warrant liability in the current period was primarily driven by an increase in the per-share price of our common stock, partially offset by a decrease in the remaining expected life of the warrants.

Loss on change in fair value of embedded derivative

For the three months ended June 30, 2026, we recognized $4.5 million of expense associated with the increase in the fair value of the embedded derivative. The increase in the fair value of the embedded derivative was primarily due to the change in our stock price between the Closing Date (as defined below) and June 30, 2026. There was no change in fair value of embedded derivative for the three months ended June 30, 2025.

Gain on change in fair value of contingent value rights liability

For the three months ended June 30, 2026, we recognized $49.2 million of income from the decrease in the fair value of the contingent value rights, or CVR, liability, compared to $35.3 million of income from the decrease in the fair value of the CVR liability for the three months ended June 30, 2025, a decrease of $13.9 million. The decrease in the fair value of the CVR liability was primarily due to changes in the timing of anticipated payments.

Other income (expense), net

During the three months ended June 30, 2026, we recognized $0.1 million of other income, net, compared to an immaterial amount of other expense, net for the three months ended June 30, 2025.

Net income

Net income for three months ended June 30, 2026 was $15.8 million as compared to net income of $15.9 million for the three months ended June 30, 2025, an increase of $0.1 million. The increase in net income was primarily due to a higher gain on the change in the fair value of the CVR liability, partially offset by an increase in research and development expenses, the loss on change in fair value of embedded derivative, and an increase in general and administrative expenses for the three months ended June 30, 2026.

Comparison of the Six Months Ended June 30, 2026 and 2025

	Six Months Ended June 30,			
	2026	2025	Increase (Decrease)	
	(in thousands, except percentages)			
Revenue:				
Collaboration and license revenue	$ —	$ 400	$ (400)	(100)%
Grant revenue	78	998	(920)	(92)%
Total revenue	78	1,398	(1,320)	(94)%
Operating expenses:				
Research and development	39,894	29,543	10,351	35 %
General and administrative	15,838	15,555	283	2 %
Total operating expenses	55,732	45,098	10,634	24 %
Operating loss	(55,654)	(43,700)	(11,954)	27 %
Other income (expense):				
Interest income	2,129	3,763	(1,634)	(43)%
Interest expense	(852)	—	(852)	NM
(Loss) gain on change in fair value of warrant liability	(24)	2,472	(2,496)	(101)%
Loss on change in fair value of embedded derivative	(4,535)	—	(4,535)	NM
Gain on change in fair value of contingent value rights liability	35,400	35,646	(246)	(1)%
Other income (expense), net	123	(5)	128	NM
Total other income (expense), net	32,241	41,876	(9,635)	(23)%
Net loss	$ (23,413)	$ (1,824)	$ (21,589)	NM

NM - Not meaningful

Collaboration and license revenue

During the six months ended June 30, 2026, we recognized no collaboration and license revenue, compared to $0.4 million for the six months ended June 30, 2025, a decrease of $0.4 million. The collaboration and license revenue recognized in the prior period was related to the sale of legacy intellectual property.

Grant revenue

During the six months ended June 30, 2026, we recognized $0.1 million of grant revenue, compared to $1.0 million for the six months ended June 30, 2025, a decrease of $0.9 million. The decrease was primarily due to decreased expenses reimbursable under the grant from NINDS incurred during the six months ended June 30, 2026.

Research and development expenses

The following is a comparison of research and development expenses for the six months ended June 30, 2026 and 2025 (in thousands, except percentages):

	Six Months Ended June 30,			
	2026	2025	Increase (Decrease)	
Descartes-08 for MG	$ 24,600	$ 12,071	$ 12,529	104 %
Descartes-08 for dermatomyositis	463	—	463	NM
Early stage programs	1,326	2,705	(1,379)	(51)%
Research and development employee expenses	7,855	7,956	(101)	(1)%
Research and development stock-based compensation expense	1,563	3,085	(1,522)	(49)%
Research and development facilities and other expenses	4,087	3,726	361	10 %
Total research and development expenses	$ 39,894	$ 29,543	$ 10,351	35 %

NM - Not meaningful

For the six months ended June 30, 2026, our research and development expenses were $39.9 million, compared to $29.5 million for the six months ended June 30, 2025, an increase of $10.4 million. The increase was primarily due to an increase in expenses for Descartes-08 for MG, primarily related to the expenses for the ongoing Phase 3 AURORA trial, coupled with expenses for Descartes-08 in dermatomyositis, related to the expense for the ongoing Phase 2 TRITON trial. These increases were partially offset by a decrease in stock-based compensation expense, coupled with lower expenses for early stage programs, primarily related to our decision to no longer pursue development of Descartes-08 in systemic lupus erythematosus, partially offset by costs associated with the WestGene Agreement.

General and administrative expenses

For the six months ended June 30, 2026, our general and administrative expenses were $15.8 million compared to $15.6 million for the six months ended June 30, 2025, an increase of $0.2 million. The increase was primarily the result of higher professional and consulting fees coupled with an increase in patent costs, partially offset by lower facilities expenses.

Interest income

Interest income for the six months ended June 30, 2026 was $2.1 million, compared to $3.8 million for the six months ended June 30, 2025. The decrease in interest income was due to decreased cash and cash equivalents balances and lower interest rates.

Interest expense

Interest expense for the six months ended June 30, 2026 was $0.9 million. Interest expense is related to the Term Loan Facility (as defined below) with K2HV (as defined below) and consists of contractual interest expense as well as the amortization of debt issuance costs, debt discounts, deferred debt issuance costs, deferred debt discounts and the accretion of the final payment fee. There was no interest expense for the six months ended June 30, 2025.

(Loss) gain change in fair value of warrant liability

For the six months ended June 30, 2026, we recognized an immaterial expense associated with the increase in the fair value of warrant liability, compared to $2.5 million of income from the decrease in the fair value of warrant liability for the six months ended June 30, 2025, a change of $2.5 million. The increase in fair value of the warrant liability in the current period was primarily driven by an increase in the per-share price of our common stock, partially offset by a decrease in the remaining expected life of the warrants.

Loss on change in fair value of embedded derivative

For the six months ended June 30, 2026, we recognized $4.5 million of expense associated with the increase in the fair value of the embedded derivative. The increase in the fair value of the embedded derivative was primarily due to the change in

our stock price between the Closing Date (as defined below) and June 30, 2026. There was no change in fair value of embedded derivative for the six months ended June 30, 2025.

Gain on change in fair value of contingent value rights liability

For the six months ended June 30, 2026, we recognized $35.4 million of income from the decrease in the fair value of the CVR liability, compared to $35.6 million of income from the decrease in the fair value of the CVR liability for the six months ended June 30, 2025, a change of $0.2 million. The decrease in the fair value of CVR liability was primarily due to changes in the timing of anticipated payments during the six months ended June 30, 2026.

Other income (expense), net

During the six months ended June 30, 2026, we recognized $0.1 million of other income, net, compared to an immaterial amount of other expense, net for the six months ended June 30, 2025, a change of $0.1 million.

Net loss

Net loss for the six months ended June 30, 2026 was $23.4 million as compared to net loss of $1.8 million for the six months ended June 30, 2025, an increase of $21.6 million. The increase in net loss was primarily due to higher research and development expenses and loss on change in fair value of embedded derivative, coupled with lower income associated with the change in the fair value of the warrant liability, interest income and revenues.

Liquidity and Capital Resources

We have incurred recurring net losses since our inception. We expect that we will continue to incur losses and that such losses will increase for the foreseeable future. We expect that our research and development and general and administrative expenses will continue to increase and, as a result, we will need additional capital to fund our operations, which we may raise through a combination of equity offerings, debt financings, third-party funding, potential royalty and/or milestone monetization transactions and other collaborations and strategic alliances.

Our cash, cash equivalents, and restricted cash were $149.3 million as of June 30, 2026, of which $1.7 million was restricted cash related to lease commitments.

In addition to our existing cash equivalents, we from time to time have received and may receive in the future research and development funding pursuant to our collaboration and license agreements and debt financing from loans. Currently, funding from payments under our collaboration agreements and the Loan Agreement represent our only sources of committed external funds.

The liability associated with the contingent value rights agreement, or CVR Agreement, entered into on December 6, 2023, will be settled solely through cash flow received under the Sobi License (as defined below) and any other Gross Proceeds (as such term is defined in the CVR Agreement) net of certain agreed deductions. Under the CVR Agreement, 100% of all milestone payments, royalties, and other amounts paid to us or our controlled entities under the Sobi License, and any other Gross Proceeds, in each case net of certain agreed deductions, will be distributed to holders of the CVRs. There is no contractual obligation for us to fund any amount related to the CVR liability.

Collaboration and License Agreements

In-licenses

In June 2026, the Company entered into the WestGene Agreement with WestGene to support the development of in vivo CAR-T-cell therapies for autoimmune diseases. Under the WestGene Agreement, WestGene granted the Company a non-exclusive, worldwide license, with the right to grant sublicenses, to certain technology and related intellectual property for the research, development, manufacture and commercialization of licensed products.

WestGene is responsible for performing certain development, manufacturing and related support activities pursuant to an agreed development plan and budget. The Company is responsible for funding such activities and generally controls future development, regulatory, commercialization and sublicensing activities for licensed products.

In consideration for the rights granted under the WestGene Agreement, the Company is obligated to make an upfront payment and to fund specified development activities. The WestGene Agreement also provides for potential development, regulatory and sales-based milestone payments, royalties on net sales of licensed products and certain sublicense revenue-sharing payments, in each case subject to the terms of the WestGene Agreement. For further description of the WestGene Agreement, see Note 13, “Collaboration and License Agreements” to our unaudited consolidated financial statements included elsewhere in this Quarterly Report.

In September 2023, we entered into a non-exclusive, sublicensable, worldwide, perpetual patent license agreement, or the Biogen Agreement, with Biogen MA, Inc., or Biogen, to research, develop, make, use, offer, sell and import products or processes containing or using an engineering T-cell modified with an mRNA comprising, or encoding a protein comprising, certain sequences licensed under the Biogen Agreement for the prevention, treatment, palliation and management of autoimmune diseases and disorders, excluding cancers, neoplastic disorders, and paraneoplastic disorders. We are not obligated to pay Biogen any expenses, fees, or royalties. For further description of the Biogen Agreement, see Note 13, "Collaboration and License Agreements" to our unaudited consolidated financial statements included elsewhere in this Quarterly Report.

Effective September 2019, we entered into a non-exclusive, worldwide license agreement, or the NCI Agreement, with the U.S. Department of Health and Human Services, represented by the National Cancer Institute of the National Institutes of Health, or NCI. Under the NCI Agreement, we were granted a license under certain NCI patents and patent applications designated in the agreement, to make, use, sell, offer and import products and processes within the scope of the patents and applications licensed under the NCI Agreement when developing and manufacturing anti-BCMA CAR-T cell products for the treatment of MG, pemphigus vulgaris, and immune thrombocytopenic purpura according to methods designated in the NCI Agreement. In connection with our entry into the NCI Agreement, we paid to NCI a one-time $0.1 million license royalty payment. Under the NCI Agreement, we are further required to pay NCI a low five-digit annual royalty. We must also pay earned royalties on net sales in a low single-digit percentage and pay up to $0.8 million in benchmark royalties upon our achievement of designated benchmarks that are based on the commercial development plan agreed between the parties. For further description of the NCI Agreement, see Note 13, "Collaboration and License Agreements" to our unaudited consolidated financial statements included elsewhere in this Quarterly Report.

Out-licenses

In June 2020, we entered into a License and Development Agreement, or as so amended, the Sobi License, with Swedish Orphan Biovitrum AB (publ.), or Sobi. Sobi paid us a one-time, upfront payment of $75.0 million, and upon the closing of a private placement of our common stock to Sobi at a price of $138.468 per share, we received an additional $25.0 million from Sobi. We are eligible to receive $630.0 million in milestone payments upon the achievement of various development and regulatory milestones and sales thresholds for annual net sales of Nanoecapsulated Sirolimus plus Pegadricase, or NASP, and tiered royalty payments ranging from the low double digits on the lowest sales tier to the high teens on the highest sales tier. Sobi has agreed to fund the Phase 3 clinical program of NASP, which commenced in September 2020. In July 2022, we received $10.0 million for the completion of the enrollment of the DISSOLVE II trial. In July 2024, we received $30.0 million for the milestone associated with the initiation of a rolling biologics license application to the FDA for NASP for the potential treatment of chronic refractory gout by Sobi. Proceeds from milestone payments and royalties on sales of NASP, if any, are required to be distributed, net of certain agreed deductions, to holders of the CVRs. For further description of the Sobi License, see Note 12, "Revenue Arrangements" to our unaudited consolidated financial statements included elsewhere in this Quarterly Report.

Financings

Loan and Security Agreement with K2 HealthVentures LLC

On May 22, 2026, or the Closing Date, we entered into a Loan and Security Agreement, or the Loan Agreement, with K2 HealthVentures LLC, or K2HV, as administrative agent, certain financial institutions party thereto as lenders (including K2HV) and Ankura Trust Company, LLC, as collateral trustee. The Loan Agreement provides for a senior secured term loan facility with aggregate commitments of up to $150.0 million available in four tranches, or the Term Loan Facility, comprised of:

- a first tranche term loan in an aggregate principal amount of $50.0 million, funded on the Closing Date, or the First Tranche;
- a second tranche term loan in an aggregate principal amount of $25.0 million, available to be drawn between January 1, 2027 and December 1, 2027 subject to our achievement of specified clinical and financing milestones on or prior to December 1, 2027, or the Second Tranche;
- a third tranche term loan in an aggregate principal amount of $25.0 million, available to be drawn between January 1, 2028 and June 1, 2028 subject to our achievement of specified approval and sales milestones on or prior to June 1, 2028, or the Third Tranche; and
- a fourth tranche term loan in an aggregate principal amount of up to $50.0 million, available in the lenders' sole discretion.

The Term Loan Facility bears interest at a variable annual rate equal to the greater of (i) 8.95% and (ii) the prime rate as quoted in The Wall Street Journal plus 2.20%, payable monthly in arrears on the first calendar day of each month. The Term

Loan Facility matures on June 1, 2030 and provides for interest-only payments for the first 36 months following the Closing Date, followed by 12 equal monthly payments of principal and interest commencing on the amortization date of July 1, 2029.

We may, at our option, prepay all, but not less than all, of the outstanding principal balance together with accrued and unpaid interest and all amounts then due under the Loan Agreement, subject to a prepayment premium and an end of term fee. In addition, prior to repayment in full of the Term Loan Facility, the lenders may jointly elect to convert up to $15.0 million of the outstanding principal into shares of our common stock, and/or certain other securities issued in a qualifying financing (any such common stock and other securities, the Conversion Shares), subject to a $5.0 million conversion limit prior to the first anniversary of the Closing Date, at a conversion price equal to, at the lenders' election, either (i) if the relevant Conversion Shares are common stock, $8.2526 per share of common stock or (ii) if the relevant Conversion Shares are shares of common stock or other securities issued in a qualifying financing, the lowest effective price per share or other security in our next qualified financing; provided, that to the extent such securities issued in a qualifying financing are convertible securities, the conversion price shall equal $1.00 for each $1.00 of notional principal represented by such convertible securities, or the Conversion Option. No prepayment premium applies to principal amounts converted into equity. The Loan Agreement also provides the lenders with certain registration rights, a right to participate in future qualified financings of the Company up to an aggregate of $5.0 million, and customary conversion mechanics and beneficial ownership limitations. As of June 30, 2026, no portion of the outstanding principal had been converted into equity.

Beginning April 1, 2027, the Loan Agreement requires us to maintain a minimum unrestricted cash balance at all times when our market capitalization is less than $750.0 million of at least 80% of our outstanding obligations to the lenders, subject to reduction to 50% upon achievement of the Second Tranche Milestone, as defined in the Loan Agreement, and will revert to 80% if the Third Tranche Milestone, as defined in the Loan Agreement, is not achieved by the applicable date. Beginning on January 1, 2029, the Loan Agreement requires us to maintain compliance with a minimum trailing three-month net product revenue covenant of $40.0 million, tested as of the last day of each calendar quarter, with required quarter-over-quarter growth.

Our obligations under the Loan Agreement are secured by a first priority security interest in substantially all of our assets, excluding intellectual property, which is subject to a negative pledge. The Loan Agreement contains customary affirmative and negative covenants, including restrictions on additional indebtedness, liens, dividends, investments, asset sales, repurchase of equity, certain affiliate transactions, changes of control, mergers or acquisitions, as well as customary events of default. The Loan Agreement contemplates that the Company's existing and future material domestic subsidiaries will be required to become co-borrowers or guarantors and to grant a security interest in their assets to secure the obligations under the Loan Agreement. As of June 30, 2026, we were in compliance with all covenants under the Loan Agreement.

In connection with the initial borrowing, we recognized a $7.4 million debt discount associated with the Compound Derivative (as defined below) and incurred approximately $2.8 million of debt issuance costs and an approximately $1.2 million original issue discount. The amortized cost of the Compound Derivative discount is included within "Long-term debt" in the consolidated balance sheet as of June 30, 2026. The debt issuance costs and original issue discount were allocated among the funded and contingent borrowing tranches, of which approximately $1.4 million and $0.6 million were allocated to the First Tranche, respectively, and the amortized cost is included within "Long-term debt" in the consolidated balance sheet as of June 30, 2026. The remaining $1.4 million and $0.6 million were allocated to Second Tranche and Third Tranche, respectively, and are deferred within "Long-term prepaid expenses and other assets" in the consolidated balance sheet as of June 30, 2026, and until the related tranche is funded. Deferred debt issuance costs and original issue discount are amortized to interest expense over the term of the Loan Agreement using the straight-line method.

We are also required to pay a final payment fee equal to 6.95% of funded principal, or approximately $3.5 million based on the amount funded as of June 30, 2026, which is accreted to interest expense over the term of the Loan Agreement using the effective interest method.

Embedded Derivative

In connection with the Loan Agreement, we identified certain embedded features that require separate accounting as derivatives, including the Conversion Option and certain default, acceleration, indemnification and contingent payment features, collectively referred to as the Compound Derivative.

As a result of the Compound Derivative, we recognized a debt discount and a corresponding derivative liability based on an initial estimated fair value of approximately $7.4 million. The discount will be amortized to interest expense over the term of the Loan Agreement using the effective interest method.

The Compound Derivative is remeasured at fair value each reporting period, with changes in fair value recognized in our consolidated statements of operations and comprehensive income (loss). As of June 30, 2026, the estimated fair value was approximately $11.9 million and is included within "Long-term debt" in the consolidated balance sheet as of June 30, 2026. We recorded a loss on the change in fair value of approximately $4.5 million for the three and six months ended June 30, 2026. The

fair value of the Compound Derivative is driven primarily by the Conversion Option and was estimated using a Black-Scholes model. The valuation is classified as Level 3 in the fair value hierarchy.

"At the Market" Sales Agreement

On December 13, 2024, we entered into a Sales Agreement, or the Sales Agreement, with Leerink Partners LLC to sell shares of our common stock, from time to time, through an "at the market" equity offering program under which Leerink Partners LLC acts as sales agent. The shares of common stock sold pursuant to the Sales Agreement will be issued pursuant to our shelf registration statement on Form S-3 (File No. 333-283803), filed on December 13, 2024 with the SEC and related prospectus supplement, filed on January 8, 2025 with the SEC, for aggregate gross sales proceeds of up to $100.0 million.

During the six months ended June 30, 2026, we sold 2,813,736 shares of our common stock pursuant to the Sales Agreement for net proceeds of approximately $19.3 million after commissions and expenses. As of June 30, 2026, approximately $78.9 million remains available under the at the market program. No shares were sold pursuant to the Sales Agreement during the six months ended June 30, 2025.

Future funding requirements

As of the date of this Quarterly Report, we have not generated any revenue from product sales. We do not know when, or if, we will generate revenue from product sales. We will not generate significant revenue from product sales unless and until we obtain regulatory approval and commercialize one of our current or future product candidates. Our primary uses of capital are, and we expect will continue to be, compensation and related expenses, Term Loan Facility payments, third-party clinical research and development services, laboratory and related supplies, clinical costs, legal and other regulatory expenses, milestone and royalty payments for in-licenses, and general overhead costs. We expect that we will continue to generate losses for the foreseeable future, and we expect the losses to increase as we continue the development of, and seek regulatory approvals for, our product candidates, and begin to commercialize any approved products. We are subject to risks in the development of our products, and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors that may adversely affect our business. We expect that we will need substantial additional funding to support our continuing operations.

As of June 30, 2026, we had an accumulated deficit of $845.8 million. We anticipate operating losses to continue for the foreseeable future due to, among other things, costs related to research, development of our product candidates, conducting preclinical studies and clinical trials, and our administrative organization. We will require substantial additional financing to fund our operations and to continue to execute our strategy, and we will pursue a range of options to secure additional capital.

We regularly evaluate various potential sources of additional funding such as strategic collaborations, license agreements, debt issuance, potential royalty and/or milestone monetization transactions and the issuance of equity instruments to fund our operations. If we raise additional funds through strategic collaborations and alliances, which may include existing collaboration partners, or debt issuance, we may have to relinquish valuable rights to our technologies or product candidates, or grant licenses on terms that are not favorable to us. To the extent that we raise additional capital through the sale of equity instruments or through debt issuance, the ownership interest of our existing stockholders will be diluted, and other preferences may be necessary that adversely affect the rights of existing stockholders.

We believe that our existing cash, cash equivalents, and restricted cash as of June 30, 2026 will enable us to fund our operating expenses and capital expenditure requirements for at least the next 12 months. We may pursue additional cash resources through public or private equity or debt financings, by establishing collaborations with other companies or through the monetization of potential royalty and/or milestone payments pursuant to our existing collaboration and license arrangements. Management's expectations with respect to our ability to fund current and long-term planned operations are based on estimates that are subject to risks and uncertainties. If actual results are different from management's estimates, we may need to seek additional strategic or financing opportunities sooner than would otherwise be expected. However, there is no guarantee that any of these strategic or financing opportunities will be executed on favorable terms, and some could be dilutive to existing stockholders. If we are unable to obtain additional funding on a timely basis, we may be forced to significantly curtail, delay, or discontinue one or more of our planned research or development programs or be unable to expand our operations, meet long-term obligations or otherwise capitalize on our commercialization of our product candidates.

Our future capital requirements will depend on many factors, including:

- the scope, progress, results and costs of our clinical trials, preclinical development, manufacturing, laboratory testing and logistics;
- our satisfaction of the conditions precedent to draw further on the Term Loan Facility under the Loan Agreement;
- the number of product candidates that we pursue and the speed with which we pursue development;

- our headcount growth and associated costs;
- the costs, timing and outcome of regulatory review of our product candidates;
- the costs and timing of future commercialization activities, including manufacturing, marketing, sales and distribution, for any of our product candidates for which we receive marketing approval;
- the revenue, if any, from commercial sales of our product candidates for which we receive marketing approval;
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending any intellectual property-related claims;
- the effect of competing technological and market developments; and
- the extent to which we acquire or invest in businesses, products and technologies, including entering into licensing or collaboration arrangements for product candidates.

Cash Requirements due to Contractual Obligations and Other Commitments

We are required to make payments under the Term Loan Facility, which bears interest at a variable annual rate equal to the greater of (i) 8.95% and (ii) the prime rate as quoted in The Wall Street Journal plus 2.20%, payable monthly in arrears on the first calendar day of each month. As of June 30, 2026, accrued interest payable under the Term Loan Facility was approximately $0.5 million, which is included within "Accrued expenses and other current liabilities" on the accompanying consolidated balance sheet. As of June 30, 2026, based on current indebtedness and interest rates, we expect to pay $16.2 million in interest under the Term Loan Facility, in addition to the principal of $50.0 million and final payment fee of approximately $3.5 million.

We are under agreement to lease approximately 32,294 square feet of laboratory and office space in Watertown, Massachusetts through May 2028. Remaining lease payments from June 30, 2026 through the end of the lease term total approximately $5.4 million. Payments made and remaining obligations on this lease liability are subject to potential reimbursement through deductions to CVR distributions as described in Note 5, "Fair Value Measurements" to our unaudited consolidated financial statements included elsewhere in this Quarterly Report and were reimbursed in the March 2025 CVR distribution.

In November 2023 we acquired two leases for office and laboratory space in Gaithersburg, Maryland, which expire in January 2027. Annualized rent is approximately $0.3 million and remaining lease payments from June 30, 2026 through the end of the lease term total approximately $0.2 million.

In February 2024, we entered into an agreement to lease approximately 19,199 square feet of integrated manufacturing and office space in Frederick, Maryland. In May 2024, we entered into an amendment to lease an additional approximately 7,842 square feet at the same site. In August 2024, we entered into a second amendment to lease an additional approximately 2,009 square feet at the same site. In March 2025, we entered into a third amendment to lease an additional approximately 6,439 square feet at the same site. The leases expire coterminously in June 2031. Annualized base rent under the leases is approximately $1.4 million and is subject to annual increases in accordance with the terms of the lease agreement. The leases provide for a tenant improvement allowance of $0.8 million. Remaining lease payments total $8.0 million through the end of the lease term.

We are also party to certain license and collaboration agreements with WestGene, Biogen, NCI and Shenyang Sunshine Pharmaceutical Co., Ltd., or 3SBio. We may be obligated to make certain future payments which are contingent upon future events such as our achievement of specified regulatory and commercial milestones, or royalties on net product sales under these agreements. As of June 30, 2026, we were unable to estimate the timing or likelihood of achieving these milestones or generating future product sales. Payments made and remaining obligations on the license agreement with 3SBio are subject to potential reimbursement through deductions to CVR distributions as described in Note 5, "Fair Value Measurements" to our unaudited consolidated financial statements included elsewhere in this Quarterly Report.

Summary of Cash Flows

(In thousands)	Six Months Ended June 30, 2026	2025
Cash (used in) provided by:		
Operating activities	$ (43,217)	$ (40,629)
Investing activities	(299)	(3,670)
Financing activities	66,015	(7,965)
Effect of exchange rate changes on cash	(32)	44
Net change in cash, cash equivalents, and restricted cash	$ 22,467	$ (52,220)

Operating activities

Net cash used in operating activities for the six months ended June 30, 2026 was $43.2 million compared to $40.6 million for the six months ended June 30, 2025. The increase in cash used in operating activities of approximately $2.6 million was primarily due to $47.5 million of net loss, adjusted for non-cash items, and $4.3 million of cash provided by changes in operating assets and liabilities, in each case during the six months ended June 30, 2026 compared to $32.0 million of net loss, adjusted for non-cash items, and $8.6 million of cash used in changes in operating assets and liabilities during the six months ended June 30, 2025.

Investing activities

Net cash used in investing activities for the six months ended June 30, 2026 was $0.3 million compared to $3.7 million for the six months ended June 30, 2025, a decrease of approximately $3.4 million. The net cash used in investing activities for the six months ended June 30, 2026 and 2025 consisted of purchases of property and equipment.

Financing activities

Net cash provided by financing activities for the six months ended June 30, 2026 was $66.0 million compared to net cash used in financing activities of $8.0 million for the six months ended June 30, 2025, an increase of approximately $74.0 million. The net cash provided by financing activities in the six months ended June 30, 2026 was primarily from approximately $46.0 million in proceeds from the issuance of Term Loan Facility, net, coupled with $19.3 million in proceeds from sales of our common stock pursuant to the Sales Agreement, net of commissions and expenses. The net cash used in financing activities in the six months ended June 30, 2025 was primarily the result of payments for the CVR distribution.

Recent Accounting Pronouncements

For a discussion of recently adopted or issued accounting pronouncements refer to Note 2, “Summary of Significant Accounting Policies” to our unaudited consolidated financial statements included elsewhere in this Quarterly Report.

Off-Balance Sheet Arrangements

As of June 30, 2026, we did not have any off-balance sheet arrangements as defined in the rules and regulations of the SEC.

Critical Accounting Policies and Use of Estimates

Our management’s discussion and analysis of our financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, or U.S. GAAP. The preparation of these consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and disclosure of contingent assets and liabilities in our consolidated financial statements. Actual results may differ from these estimates under different assumptions or conditions. During the three and six months ended June 30, 2026, there were no material changes, other than described in Note 2, “Summary of Significant Accounting Policies” in this Quarterly Report on Form 10-Q, to our critical accounting policies from those described in our Annual Report on Form 10-K for the year ended December 31, 2025.

Smaller Reporting Company

We qualify as a “smaller reporting company” under the rules of the Securities Act and the Exchange Act. As a result, we may choose to take advantage of certain scaled disclosure requirements available specifically to smaller reporting companies. We will remain a smaller reporting company until the last day of the fiscal year in which the aggregate market value of our

common stock held by non-affiliated persons and entities, or our public float, is more than $700 million as of the last business day of our most recently completed second fiscal quarter, or until the fiscal year following the year in which we have at least $100 million in revenue and at least $250 million in public float as of the last business day of our most recently completed second fiscal quarter.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest rate risk

A market risk inherent in our financial instruments and in our financial position represents the potential loss arising from adverse changes in interest rates. As of June 30, 2026, we have an outstanding principal amount related to our Term Loan Facility of $50.0 million. The Term Loan Facility bears interest at the greater of (i) 8.95% and (ii) the prime rate as quoted in The Wall Street Journal plus 2.20%. Refer to Note 9, "Debt" to our unaudited consolidated financial statements included elsewhere in this Quarterly Report.

As of June 30, 2026 and December 31, 2025, we had cash, cash equivalents, and restricted cash of $149.3 million and $126.9 million, respectively, consisting of non-interest and interest-bearing money market accounts. Our primary exposure to market risk is interest rate sensitivity, which is affected by changes in the general level of U.S. interest rates. Due to the short-term and the low risk profile of our money market accounts and marketable securities, and our current policy to hold marketable securities to maturity, a hypothetical change of one percentage point in interest rates would not have a material effect on the fair market value of our cash equivalents or short-term marketable securities. Refer to Note 5, "Fair Value Measurements" to our unaudited consolidated financial statements included elsewhere in this Quarterly Report.

Equity price risk

The Compound Derivative is accounted for at fair value at each reporting period. The primary feature of this derivative is the Conversion Option. As such, a market risk inherent in this financial instrument and in our financial position represents the potential loss arising from changes in the price per share of our common stock. Refer to Note 5, "Fair Value Measurements" to our unaudited consolidated financial statements included elsewhere in this Quarterly Report.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated, as of the end of the period covered by this Quarterly Report, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of June 30, 2026.

Inherent Limitations on Effectiveness of Controls

There are inherent limitations to the effectiveness of any system of internal control over financial reporting. Accordingly, even an effective system of internal control over financial reporting can only provide reasonable assurance with respect to financial statement preparation and presentation in accordance with U.S. GAAP. Our internal controls over financial reporting are subject to various inherent limitations, including cost limitations, judgments used in decision making, assumptions about the likelihood of future events, the soundness of our systems, the possibility of human error, and the risk of fraud. Moreover, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may be inadequate because of changes in conditions and the risk that the degree of compliance with policies or procedures may deteriorate over time.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

See the risk factors previously disclosed in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025. Other than the risk factors described below, there have been no material changes from the risk factors previously disclosed in such filings.

Risks Related to our Financial Position and Need for Additional Capital

Issuing additional equity securities may cause dilution to our stockholders.

Until such time, if ever, as we can generate sufficient product revenue to fund our operations, we expect to finance our operations with our existing cash, cash equivalents and marketable securities, any current or future equity or debt financings, including under the Sales Agreement and Loan Agreement, and upfront and milestone and royalties payments, if any, received under any licenses or collaborations. If we raise additional capital through the sale of equity or convertible debt securities, are required to issue equity securities in conversion of our outstanding obligations pursuant to the Loan Agreement, or issue any equity or convertible debt securities in connection with a collaboration agreement or other contractual arrangement, 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 holder of our common stock. In addition, the possibility of such issuance may cause the market price of our common stock to decline.

The terms of our Loan Agreement place restrictions on our operating and financial flexibility. If we raise additional capital through debt financing, the terms of any new debt could further restrict our operating and financial flexibility.

In May 2026, we entered into the Loan Agreement with K2HV. Our obligations under the Loan Agreement are secured by a security interest in substantially all of our assets, other than intellectual property assets.

The Loan Agreement includes customary affirmative and negative covenants, as well as standard events of default, including an event of default based on the occurrence of a material adverse event. The negative covenants include, among others, restrictions on additional indebtedness, liens, dividends, investments, asset sales, repurchase of equity, certain affiliate transactions, changes of control and mergers or acquisitions. Beginning April 1, 2027, the Loan Agreement requires us to maintain a minimum unrestricted cash balance at all times when our market capitalization is less than $750.0 million of 80% of our outstanding obligations to the lenders, subject to reduction to 50% upon achievement of certain Second Tranche Milestones, and will revert to 80% if certain Third Tranche Milestones are not achieved by the applicable date. Beginning on January 1, 2029, the Loan Agreement requires us to maintain compliance with a minimum trailing three-month net product revenue covenant of $40.0 million, tested as of the last day of each calendar quarter, with required quarter-over-quarter growth. These restrictive covenants could limit our flexibility in operating our business and our ability to pursue business opportunities that we or our stockholders may consider beneficial. In addition, K2HV could declare a default upon the occurrence of any event that it interprets could be expected to have a material adverse effect, subject to the limitations specified in the Loan Agreement. Upon the occurrence and continuance of an event of default, K2HV may declare all outstanding obligations immediately due and payable and take such other actions as set forth in the Loan Agreement. Any declaration of an event of default could significantly harm our business and prospects and could cause the price of our common stock to decline. If we are liquidated, the rights of the lenders to repayment would be senior to the rights of the holders of our common stock to receive any proceeds from liquidation. We may not have enough available cash or be able to raise additional funds through equity or debt financings to repay these outstanding obligations at the time any event of default occurs. Further, if we raise any additional capital through debt financing, the terms of such additional debt could further restrict our operating and financial flexibility.

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

Not applicable.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

During the fiscal quarter ended June 30, 2026, no officer or director, as defined in Rule 16a-1(f) of the Exchange Act, informed us of the adoption, modification or termination of any "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as those terms are defined in Item 408 of Regulation S-K .

Item 6. Exhibits

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
2.1*	Agreement and Plan of Merger, dated November 13, 2023, by and among Selecta Biosciences, Inc., Sakura Merger Sub I, Inc., Sakura Merger Sub II, LLC, and Cartesian Therapeutics, Inc.	8-K	001-37798	2.1	11/13/2023
3.1(a)	Restated Certificate of Incorporation of Selecta Biosciences, Inc.	8-K	001-37798	3.1	6/29/2016
3.1(b)	Certificate of Amendment to the Restated Certificate of Incorporation of Selecta Biosciences, Inc., dated June 21, 2022	8-K	001-37798	3.1	6/21/2022
3.1(c)	Certificate of Amendment to the Restated Certificate of Incorporation of Selecta Biosciences, Inc., dated November 13, 2023	8-K	001-37798	3.3	11/13/2023
3.1(d)	Certificate of Amendment to the Restated Certificate of Incorporation, as amended, of Cartesian Therapeutics, Inc., dated March 28, 2024.	8-K	001-37798	3.2	3/28/2024
3.2	Amended and Restated By-laws of Cartesian Therapeutics, Inc.	8-K	001-37798	3.2	10/30/2025
4.1(a)	Certificate of Designation of Preferences, Rights and Limitations of Series A Non-Voting Convertible Preferred Stock	8-K	001-37798	3.4	11/13/2023
4.1(b)	Certificate of Amendment to the Certificate of Designation of Series A Non-Voting Convertible Preferred Stock, dated March 26, 2024.	8-K	001-37798	3.1	3/28/2024
4.2	Certificate of Designation of Preferences, Rights and Limitations of Series B Non-Voting Convertible Preferred Stock	8-K	001-37798	3.1	7/2/2024
10.1*#	Loan and Security Agreement, dated as of May 22, 2026, among Cartesian Therapeutics, Inc. and Cartesian Bio, LLC, as borrowers, the lenders party thereto, K2 HealthVentures LLC, as administrative agent, and Ankura Trust Company, LLC, as collateral trustee.	8-K	001-37798	10.1	5/26/2026
10.2#	Amended and Restated Cartesian Therapeutics, Inc. 2018 Employment Inducement Incentive Award Plan	-	-	-	Filed herewith
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	-	-	-	Filed herewith
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	-	-	-	Filed herewith
32.1	Certification of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	-	-	-	Furnished herewith
101.INS	Inline XBRL Instance Document (the Instance Document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document)	-	-	-	Filed herewith
101.SCH	Inline XBRL Taxonomy Extension Schema Document	-	-	-	Filed herewith
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	-	-	-	Filed herewith
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	-	-	-	Filed herewith
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	-	-	-	Filed herewith
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	-	-	-	Filed herewith
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	-	-	-	Filed herewith

* Certain annexes, schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted attachment to the SEC on a confidential basis upon request.

# Indicates management contract or compensatory plan.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant in the capacities and on the dates indicated.

CARTESIAN THERAPEUTICS, INC.

Date: August 6, 2026

By: /s/ Carsten Brunn, Ph.D.
Carsten Brunn, Ph.D.
President, Chief Executive Officer and Chairman of the Board
(Principal Executive Officer)

Date: August 6, 2026

By: /s/ Blaine Davis
Blaine Davis
Chief Financial Officer
(Principal Financial Officer)

CARTESIAN THERAPEUTICS, INC.
AMENDED AND RESTATED 2018 EMPLOYMENT INDUCEMENT INCENTIVE AWARD PLAN

ARTICLE I.
PURPOSE

The Plan's purpose is to enhance the Company's ability to attract, retain and motivate persons who are expected to make important contributions to the Company by providing these individuals with equity ownership opportunities. Capitalized terms used in the Plan are defined in Article XI.

ARTICLE II.
ELIGIBILITY

Eligible Individuals are eligible to be granted Awards under the Plan, subject to the limitations described herein.

ARTICLE III.
ADMINISTRATION AND DELEGATION

3.1 Administration. The Plan is administered by the Administrator. The Administrator has authority to determine which Eligible Individuals receive Awards, grant Awards and set Award terms and conditions, subject to the conditions and limitations in the Plan. The Administrator also has the authority to take all actions and make all determinations under the Plan, to interpret the Plan and Award Agreements and to adopt, amend and repeal Plan administrative rules, guidelines and practices as it deems advisable. The Administrator may correct defects and ambiguities, supply omissions and reconcile inconsistencies in the Plan or any Award as it deems necessary or appropriate to administer the Plan and any Awards. The Administrator may adopt procedures from time to time that are intended to ensure that an individual is an Eligible Individual prior to the granting of any Awards to such individual (including without limitation a requirement that each such individual certify to the Company prior to the receipt of an Award that he or she is not currently employed by the Company or a Subsidiary and, if previously so employed, has had a bona fide period of interruption of employment, and that the grant of Awards is an inducement material to his or her agreement to enter into employment with the Company or a Subsidiary). The Administrator's determinations under the Plan are in its sole discretion and will be final and binding on all persons having or claiming any interest in the Plan or any Award.

3.2 Appointment of Committees. To the extent Applicable Laws permit, the Board may delegate any or all of its powers under the Plan to one or more Committees. The Board may abolish any Committee or re-vest in itself any previously delegated authority at any time.

ARTICLE IV.
STOCK AVAILABLE FOR AWARDS

4.1 Number of Shares. Subject to adjustment under Article VIII and the terms of this Article IV, Awards may be made under the Plan covering up to the Overall Share Limit. Shares issued under the Plan may consist of authorized but unissued Shares, Shares purchased on the open market or treasury Shares.

4.2 Share Recycling. If all or any part of an Award expires, lapses or is terminated, exchanged for cash, surrendered, repurchased, canceled without having been fully exercised or forfeited,

in any case, in a manner that results in the Company acquiring Shares covered by the Award at a price not greater than the price (as adjusted to reflect any Equity Restructuring) paid by the Participant for such Shares or not issuing any Shares covered by the Award, the unused Shares covered by the Award will again be available for Award grants under the Plan. Further, Shares delivered (either by actual delivery or attestation) to the Company by a Participant to satisfy the applicable exercise or purchase price of an Award and/or to satisfy any applicable tax withholding obligation (including Shares retained by the Company from the Award being exercised or purchased and/or creating the tax obligation) will again be available for Award grants under the Plan. The payment of Dividend Equivalents in cash in conjunction with any outstanding Awards shall not count against the Overall Share Limit.

ARTICLE V.
STOCK OPTIONS AND STOCK APPRECIATION RIGHTS

5.1 General. The Administrator may grant Non-Qualified Options or Stock Appreciation Rights to Eligible Individuals subject to the conditions and limitations in the Plan. The Administrator will determine the number of Shares covered by each Option and Stock Appreciation Right, the exercise price of each Option and Stock Appreciation Right and the conditions and limitations applicable to the exercise of each Option and Stock Appreciation Right. A Stock Appreciation Right will entitle the Participant (or other person entitled to exercise the Stock Appreciation Right) to receive from the Company upon exercise of the exercisable portion of the Stock Appreciation Right an amount determined by multiplying the excess, if any, of the Fair Market Value of one Share on the date of exercise over the exercise price per Share of the Stock Appreciation Right by the number of Shares with respect to which the Stock Appreciation Right is exercised, subject to any limitations of the Plan or that the Administrator may impose and payable in cash, Shares valued at Fair Market Value or a combination of the two as the Administrator may determine or provide in the Award Agreement.

5.2 Exercise Price. The Administrator will establish each Option's and Stock Appreciation Right's exercise price and specify the exercise price in the Award Agreement. The exercise price will not be less than 100% of the Fair Market Value on the grant date of the Option or Stock Appreciation Right.

5.3 Duration. Each Option or Stock Appreciation Right will be exercisable at such times and as specified in the Award Agreement, provided that the term of an Option or Stock Appreciation Right will not exceed ten years. Notwithstanding the foregoing and unless determined otherwise by the Company, in the event that on the last business day of the term of an Option or Stock Appreciation Right (i) the exercise of the Option or Stock Appreciation Right is prohibited by Applicable Law, as determined by the Company, or (ii) Shares may not be purchased or sold by the applicable Participant due to any Company insider trading policy (including blackout periods) or a "lock-up" agreement undertaken in connection with an issuance of securities by the Company, the term of the Option or Stock Appreciation Right shall be extended until the date that is thirty (30) days after the end of the legal prohibition, black-out period or lock-up agreement, as determined by the Company; provided, however, in no event shall the extension last beyond the ten year term of the applicable Option or Stock Appreciation Right. Notwithstanding the foregoing, if the Participant, prior to the end of the term of an Option or Stock Appreciation Right, violates the non-competition, non-solicitation, confidentiality or other similar restrictive covenant provisions of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and the Company or any of its Subsidiaries, the right of the Participant and the Participant's transferees to exercise any Option or Stock Appreciation Right issued to the Participant shall terminate immediately upon such violation, unless the Company otherwise determines. In addition, if, prior to the end of the term of an Option or Stock Appreciation Right, the Participant is given notice by the Company or any of its Subsidiaries of the Participant's Termination of

Service by the Company or any of its Subsidiaries for Cause, and the effective date of such Termination of Service is subsequent to the date of the delivery of such notice, the right of the Participant and the Participant's transferees to exercise any Option or Stock Appreciation Right issued to the Participant shall be suspended from the time of the delivery of such notice until the earlier of (i) such time as it is determined or otherwise agreed that the Participant's service as a Service Provider will not be terminated for Cause as provided in such notice or (ii) the effective date of the Participant's Termination of Service by the Company or any of its Subsidiaries for Cause (in which case the right of the Participant and the Participant's transferees to exercise any Option or Stock Appreciation Right issued to the Participant will terminate immediately upon the effective date of such Termination of Service).

5.4 Exercise. Options and Stock Appreciation Rights may be exercised by delivering to the Company a written notice of exercise, in a form the Administrator approves (which may be electronic), signed by the person authorized to exercise the Option or Stock Appreciation Right, together with, as applicable, payment in full (i) as specified in Section 5.5 for the number of Shares for which the Award is exercised and (ii) as specified in Section 9.5 for any applicable taxes. Unless the Administrator otherwise determines, an Option or Stock Appreciation Right may not be exercised for a fraction of a Share.

5.5 Payment Upon Exercise. Subject to Section 10.9, any Company insider trading policy (including blackout periods) and Applicable Laws, the exercise price of an Option must be paid by:

(a) cash, wire transfer of immediately available funds or by check payable to the order of the Company, provided that the Company may limit the use of one of the foregoing payment forms if one or more of the payment forms below is permitted;

(b) if there is a public market for Shares at the time of exercise, unless the Company otherwise determines, (A) delivery (including telephonically to the extent permitted by the Company) of an irrevocable and unconditional undertaking by a broker acceptable to the Company to deliver promptly to the Company sufficient funds to pay the exercise price, or (B) the Participant's delivery to the Company of a copy of irrevocable and unconditional instructions to a broker acceptable to the Company to deliver promptly to the Company cash or a check sufficient to pay the exercise price; provided that such amount is paid to the Company at such time as may be required by the Administrator;

(c) to the extent permitted by the Administrator, delivery (either by actual delivery or attestation) of Shares owned by the Participant valued at their Fair Market Value;

(d) to the extent permitted by the Administrator, surrendering Shares then issuable upon the Option's exercise valued at their Fair Market Value on the exercise date;

(e) to the extent permitted by the Administrator, delivery of a promissory note or any other property that the Administrator determines is good and valuable consideration; or

(f) to the extent permitted by the Company, any combination of the above payment forms approved by the Administrator.

ARTICLE VI.
RESTRICTED STOCK; RESTRICTED STOCK UNITS

6.1 General. The Administrator may grant Restricted Stock, or the right to purchase Restricted Stock, to any Eligible Individual, subject to the Company's right to repurchase all or part of such shares at their issue price or other stated or formula price from the Participant (or to require

forfeiture of such shares) if conditions the Administrator specifies in the Award Agreement are not satisfied before the end of the applicable restriction period or periods that the Administrator establishes for such Award and subject to the conditions and limitations in the Plan. In addition, subject to the conditions and limitations in the Plan, the Administrator may grant to Eligible Individuals Restricted Stock Units, which may be subject to vesting and forfeiture conditions during the applicable restriction period or periods, as set forth in an Award Agreement. The Administrator will determine and set forth in the Award Agreement the terms and conditions for each Restricted Stock and Restricted Stock Unit Award, subject to the conditions and limitations contained in the Plan.

6.2 Restricted Stock.

(a) Dividends. Participants holding shares of Restricted Stock will be entitled to all ordinary cash dividends paid with respect to such Shares, unless the Administrator provides otherwise in the Award Agreement. In addition, unless the Administrator provides otherwise, if any dividends or distributions are paid in Shares, or consist of a dividend or distribution to holders of Common Stock of property other than an ordinary cash dividend, the Shares or other property will be subject to the same restrictions on transferability and forfeitability as the shares of Restricted Stock with respect to which they were paid.

(b) Stock Certificates. The Company may require that the Participant deposit in escrow with the Company (or its designee) any stock certificates issued in respect of shares of Restricted Stock, together with a stock power endorsed in blank.

6.3 Restricted Stock Units.

(a) Settlement. The Administrator may provide that settlement of Restricted Stock Units will occur upon or as soon as reasonably practicable after the Restricted Stock Units vest or will instead be deferred, on a mandatory basis or at the Participant's election, in a manner intended to comply with Section 409A.

(b) Stockholder Rights. A Participant will have no rights of a stockholder with respect to Shares subject to any Restricted Stock Unit unless and until the Shares are delivered in settlement of the Restricted Stock Unit.

(c) Dividend Equivalents. If the Administrator provides, a grant of Restricted Stock Units may provide a Participant with the right to receive Dividend Equivalents. Dividend Equivalents may be paid currently or credited to an account for the Participant, settled in cash or Shares and subject to the same restrictions on transferability and forfeitability as the Restricted Stock Units with respect to which the Dividend Equivalents are granted and subject to other terms and conditions as set forth in the Award Agreement.

ARTICLE VII.
OTHER STOCK OR CASH BASED AWARDS

Other Stock or Cash Based Awards may be granted to Participants, including Awards entitling Participants to receive Shares to be delivered in the future and including annual or other periodic or long-term cash bonus awards (whether based on specified Performance Criteria or otherwise), in each case subject to any conditions and limitations in the Plan. Such Other Stock or Cash Based Awards will also be available as a payment form in the settlement of other Awards, as standalone payments and as payment in lieu of compensation to which a Participant is otherwise entitled. Other Stock or Cash Based Awards

may be paid in Shares, cash or other property, as the Administrator determines. Subject to the provisions of the Plan, the Administrator will determine the terms and conditions of each Other Stock or Cash Based Award, including any purchase price, performance goal (which may be based on the Performance Criteria), transfer restrictions, and vesting conditions, which will be set forth in the applicable Award Agreement.

ARTICLE VIII.
ADJUSTMENTS FOR CHANGES IN COMMON STOCK AND CERTAIN OTHER EVENTS

8.1 Equity Restructuring(a) . In connection with any Equity Restructuring, notwithstanding anything to the contrary in this Article VIII, the Administrator will equitably adjust each outstanding Award as it deems appropriate to reflect the Equity Restructuring, which may include adjusting the number and type of securities subject to each outstanding Award and/or the Award's exercise price or grant price (if applicable), granting new Awards to Participants (subject to Section 10.4), and making a cash payment to Participants. The adjustments provided under this Section 8.1 will be nondiscretionary and final and binding on the affected Participant and the Company; provided that the Administrator will determine whether an adjustment is equitable.

8.2 Corporate Transactions. In the event of any dividend or other distribution (whether in the form of cash, Common Stock, other securities, or other property), reorganization, merger, consolidation, combination, amalgamation, repurchase, recapitalization, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, or sale or exchange of Common Stock or other securities of the Company, Change in Control, issuance of warrants or other rights to purchase Common Stock or other securities of the Company, other similar corporate transaction or event, other unusual or nonrecurring transaction or event affecting the Company or its financial statements or any change in any Applicable Laws or accounting principles, the Administrator, on such terms and conditions as it deems appropriate, either by the terms of the Award or by action taken prior to the occurrence of such transaction or event (except that action to give effect to a change in Applicable Law or accounting principles may be made within a reasonable period of time after such change) and either automatically or upon the Participant's request, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to (x) prevent dilution or enlargement of the benefits or potential benefits intended by the Company to be made available under the Plan or with respect to any Award granted or issued under the Plan, (y) to facilitate such transaction or event or (z) give effect to such changes in Applicable Laws or accounting principles:

(a) To provide for the cancellation of any such Award in exchange for either an amount of cash or other property with a value equal to the amount that could have been obtained upon the exercise or settlement of the vested portion of such Award or realization of the Participant's rights under the vested portion of such Award, as applicable; provided that, if the amount that could have been obtained upon the exercise or settlement of the vested portion of such Award or realization of the Participant's rights, in any case, is equal to or less than zero, then the Award may be terminated without payment;

(b) To provide that such Award shall vest and, to the extent applicable, be exercisable as to all shares covered thereby, notwithstanding anything to the contrary in the Plan or the provisions of such Award;

(c) To provide that such Award be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by awards covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and/or applicable exercise or purchase price, in all cases, as determined by the Administrator;

(d) To make adjustments in the number and type of shares of Common Stock (or other securities or property) subject to outstanding Awards and/or with respect to which Awards may be granted under the Plan (including, but not limited to, adjustments of the limitations in Article IV hereof on the maximum number and kind of shares which may be issued) and/or in the terms and conditions of (including the grant or exercise price), and the criteria included in, outstanding Awards;

(e) To replace such Award with other rights or property selected by the Administrator; and/or

(f) To provide that the Award will terminate and cannot vest, be exercised or become payable after the applicable event.

8.3 Non-Assumption. Notwithstanding any other provision of the Plan to the contrary, if a Change in Control occurs and an outstanding Award that is not subject to performance-based vesting conditions is not continued, converted, assumed, or replaced with a substantially similar award by (i) the Company, or (ii) a successor entity or its parent or subsidiary (an "***Assumption***"), then, immediately prior to the Change in Control, such Award will become fully vested and exercisable and all forfeiture restrictions on such Award shall lapse. The Administrator shall determine whether an Assumption of an Award has occurred in connection with a Change in Control.

8.4 Administrative Stand Still. In the event of any pending stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other extraordinary transaction or change affecting the Shares or the share price of Common Stock, including any Equity Restructuring or any securities offering or other similar transaction, for administrative convenience, the Administrator may refuse to permit the exercise of any Award for up to sixty days before or after such transaction.

8.5 General. Except as expressly provided in the Plan or the Administrator's action under the Plan, no Participant will have any rights due to any subdivision or consolidation of Shares of any class, dividend payment, increase or decrease in the number of Shares of any class or dissolution, liquidation, merger, or consolidation of the Company or other corporation. Except as expressly provided with respect to an Equity Restructuring under Section 8.1 above or the Administrator's action under the Plan, no issuance by the Company of Shares of any class, or securities convertible into Shares of any class, will affect, and no adjustment will be made regarding, the number of Shares subject to an Award or the Award's grant or exercise price. The existence of the Plan, any Award Agreements and the Awards granted hereunder will not affect or restrict in any way the Company's right or power to make or authorize (i) any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, (ii) any merger, consolidation dissolution or liquidation of the Company or sale of Company assets or (iii) any sale or issuance of securities, including securities with rights superior to those of the Shares or securities convertible into or exchangeable for Shares. The Administrator may treat Participants and Awards (or portions thereof) differently under this Article VIII.

ARTICLE IX.
GENERAL PROVISIONS APPLICABLE TO AWARDS

9.1 Transferability. Except as the Administrator may determine or provide in an Award Agreement or otherwise, Awards may not be sold, assigned, transferred, pledged or otherwise encumbered, either voluntarily or by operation of law, except by will or the laws of descent and distribution, or, subject to the Administrator's consent, pursuant to a domestic relations order, and, during the life of the Participant, will be exercisable only by the Participant. References to a Participant, to the extent relevant in the context, will include references to a Participant's authorized transferee that the Administrator specifically approves.

9.2 Documentation. Each Award will be evidenced in an Award Agreement, which may be written or electronic, as the Administrator determines. Each Award may contain terms and conditions in addition to those set forth in the Plan.

9.3 Discretion. Except as the Plan otherwise provides, each Award may be made alone or in addition or in relation to any other Award. The terms of each Award to a Participant need not be identical, and the Administrator need not treat Participants or Awards (or portions thereof) uniformly.

9.4 Termination of Status. The Administrator will determine how the disability, death, retirement, authorized leave of absence or any other change or purported change in a Participant's Service Provider status affects an Award and the extent to which, and the period during which, the Participant, the Participant's legal representative, conservator, guardian or Designated Beneficiary may exercise rights under the Award, if applicable.

9.5 Withholding. Each Participant must pay the Company, or make provision satisfactory to the Administrator for payment of, any taxes required by law to be withheld in connection with such Participant's Awards by the date of the event creating the tax liability. The Company may deduct an amount sufficient to satisfy such tax obligations based on the minimum statutory withholding rates (or such other rate as may be determined by the Company after considering any accounting consequences or costs) from any payment of any kind otherwise due to a Participant. Subject to Section 10.9 and any Company insider trading policy (including blackout periods), Participants may satisfy such tax obligations (i) in cash, by wire transfer of immediately available funds, by check made payable to the order of the Company, provided that the Company may limit the use of the foregoing payment forms if one or more of the payment forms below is permitted, (ii) to the extent permitted by the Administrator, in whole or in part by delivery of Shares, including Shares retained from the Award creating the tax obligation, valued at their Fair Market Value, (iii) if there is a public market for Shares at the time the tax obligations are satisfied, unless the Company otherwise determines, (A) delivery (including telephonically to the extent permitted by the Company) of an irrevocable and unconditional undertaking by a broker acceptable to the Company to deliver promptly to the Company sufficient funds to satisfy the tax obligations, or (B) delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a broker acceptable to the Company to deliver promptly to the Company cash or a check sufficient to satisfy the tax withholding, provided that such amount is paid to the Company at such time as may be required by the Administrator, or (iv) to the extent permitted by the Company, any combination of the foregoing payment forms approved by the Administrator. If any tax withholding obligation will be satisfied under clause (ii) of the immediately preceding sentence by the Company's retention of Shares from the Award creating the tax obligation and there is a public market for Shares at the time the tax obligation is satisfied, the Company may elect to instruct any brokerage firm determined acceptable to the Company for such purpose to sell on the applicable Participant's behalf

some or all of the Shares retained and to remit the proceeds of the sale to the Company or its designee, and each Participant's acceptance of an Award under the Plan will constitute the Participant's authorization to the Company and instruction and authorization to such brokerage firm to complete the transactions described in this sentence.

9.6 Amendment of Award; Repricing. The Administrator may amend, modify or terminate any outstanding Award, including by substituting another Award of the same or a different type or changing the exercise or settlement date. The Participant's consent to such action will be required unless (i) the action, taking into account any related action, does not materially and adversely affect the Participant's rights under the Award, or (ii) the change is permitted under Article VIII or pursuant to Section 10.7. Notwithstanding the foregoing or anything in the Plan to the contrary, the Administrator may, without the approval of the stockholders of the Company, reduce the exercise price per share of outstanding Options or Stock Appreciation Rights or cancel outstanding Options or Stock Appreciation Rights in exchange for cash, other Awards or Options or Stock Appreciation Rights with an exercise price per share that is less than the exercise price per share of the original Options or Stock Appreciation Rights.

9.7 Conditions on Delivery of Stock. The Company will not be obligated to deliver any Shares under the Plan or remove restrictions from Shares previously delivered under the Plan until (i) all Award conditions have been met or removed to the Company's satisfaction, (ii) as determined by the Company, all other legal matters regarding the issuance and delivery of such Shares have been satisfied, including any applicable securities laws and stock exchange or stock market rules and regulations, and (iii) the Participant has executed and delivered to the Company such representations or agreements as the Administrator deems necessary or appropriate to satisfy any Applicable Laws. The Company's inability to obtain authority from any regulatory body having jurisdiction, which the Administrator determines is necessary to the lawful issuance and sale of any securities, will relieve the Company of any liability for failing to issue or sell such Shares as to which such requisite authority has not been obtained.

9.8 Acceleration. The Administrator may at any time provide that any Award will become immediately vested and fully or partially exercisable, free of some or all restrictions or conditions, or otherwise fully or partially realizable.

9.9 Action Required Upon Grant of Award. Promptly following the grant of an Award, the Company shall, in accordance with NASDAQ Rule 5635(c), (a) issue a press release disclosing the material terms of the Award, including the recipient(s) of the Award and the number of Shares involved and (b) provide written notice to the NASDAQ of the grant.

ARTICLE X.
MISCELLANEOUS

10.1 No Right to Employment or Other Status. No person will have any claim or right to be granted an Award, and the grant of an Award will not be construed as giving a Participant the right to continued employment or any other relationship with the Company. The Company expressly reserves the right at any time to dismiss or otherwise terminate its relationship with a Participant free from any liability or claim under the Plan or any Award, except as expressly provided in an Award Agreement.

10.2 No Rights as Stockholder; Certificates. Subject to the Award Agreement, no Participant or Designated Beneficiary will have any rights as a stockholder with respect to any Shares to be distributed under an Award until becoming the record holder of such Shares. Notwithstanding any other

provision of the Plan, unless the Administrator otherwise determines or Applicable Laws require, the Company will not be required to deliver to any Participant certificates evidencing Shares issued in connection with any Award and instead such Shares may be recorded in the books of the Company (or, as applicable, its transfer agent or stock plan administrator). The Company may place legends on stock certificates issued under the Plan that the Administrator deems necessary or appropriate to comply with Applicable Laws.

10.3 Effective Date and Term of Plan. Unless earlier terminated by the Board, the Plan will become effective on the date it is approved by the Board and will remain in effect until the tenth anniversary of such date, but Awards previously granted may extend beyond that date in accordance with the Plan.

10.4 Stockholder Approval Not Required. It is expressly intended that approval of the Company's stockholders not be required as a condition of the effectiveness of the Plan, and the Plan's provisions shall be interpreted in a manner consistent with such intent for all purposes. Specifically, NASDAQ Rule 5635(c) generally requires stockholder approval for equity-compensation plans adopted by companies whose securities are listed on the NASDAQ Stock Market that provide for the delivery of equity securities to any employees, directors or other service providers of such companies as compensation for services. NASDAQ Rule 5635(c)(4) provides an exemption in certain circumstances for employment inducement awards. Notwithstanding anything to the contrary herein, in accordance with NASDAQ Rule 5635(c)(4), Awards may only be granted as material inducements to Eligible Individuals being hired or rehired as Employees, as applicable, and must be approved by (a) the Board, acting through a majority of the Company's Independent Directors or (b) the independent Compensation Committee of the Board. Accordingly, pursuant to NASDAQ Rule 5635(c)(4), the issuance of Awards and the Shares issuable upon exercise or vesting of such Awards pursuant to the Plan is not subject to the approval of the Company's stockholders.

10.5 Amendment of Plan. The Administrator may amend, suspend or terminate the Plan at any time; provided that no amendment, other than an increase to the Overall Share Limit, may materially and adversely affect any Award outstanding at the time of such amendment without the affected Participant's consent. No Awards may be granted under the Plan during any suspension period or after Plan termination. Awards outstanding at the time of any Plan suspension or termination will continue to be governed by the Plan and the Award Agreement, as in effect before such suspension or termination. The Board will obtain stockholder approval of any Plan amendment to the extent necessary to comply with Applicable Laws.

10.6 Provisions for Foreign Participants. The Administrator may modify Awards granted to Participants who are foreign nationals or employed outside the United States or establish subplans or procedures under the Plan to address differences in laws, rules, regulations or customs of such foreign jurisdictions with respect to tax, securities, currency, employee benefit or other matters.

10.7 Section 409A.

(a) General. The Company intends that all Awards be structured to comply with, or be exempt from, Section 409A, such that no adverse tax consequences, interest, or penalties under Section 409A apply. Notwithstanding anything in the Plan or any Award Agreement to the contrary, the Administrator may, without a Participant's consent, amend this Plan or Awards, adopt policies and procedures, or take any other actions (including amendments, policies, procedures and retroactive actions) as are necessary or appropriate to preserve the intended tax treatment of Awards, including any such

actions intended to (A) exempt this Plan or any Award from Section 409A, or (B) comply with Section 409A, including regulations, guidance, compliance programs and other interpretative authority that may be issued after an Award's grant date. The Company makes no representations or warranties as to an Award's tax treatment under Section 409A or otherwise. The Company will have no obligation under this Section 10.7 or otherwise to avoid the taxes, penalties or interest under Section 409A with respect to any Award and will have no liability to any Participant or any other person if any Award, compensation or other benefits under the Plan are determined to constitute noncompliant "nonqualified deferred compensation" subject to taxes, penalties or interest under Section 409A.

(b) Separation from Service. If an Award constitutes "nonqualified deferred compensation" under Section 409A, any payment or settlement of such Award upon a termination of a Participant's Service Provider relationship will, to the extent necessary to avoid taxes under Section 409A, be made only upon the Participant's "separation from service" (within the meaning of Section 409A), whether such "separation from service" occurs upon or after the termination of the Participant's Service Provider relationship. For purposes of this Plan or any Award Agreement relating to any such payments or benefits, references to a "termination," "termination of employment" or like terms means a "separation from service."

(c) Payments to Specified Employees. Notwithstanding any contrary provision in the Plan or any Award Agreement, any payment(s) of "nonqualified deferred compensation" required to be made under an Award to a "specified employee" (as defined under Section 409A and as the Administrator determines) due to his or her "separation from service" will, to the extent necessary to avoid taxes under Section 409A(a)(2)(B)(i) of the Code, be delayed for the six-month period immediately following such "separation from service" (or, if earlier, until the specified employee's death) and will instead be paid (as set forth in the Award Agreement) on the day immediately following such six-month period or as soon as administratively practicable thereafter (without interest). Any payments of "nonqualified deferred compensation" under such Award payable more than six months following the Participant's "separation from service" will be paid at the time or times the payments are otherwise scheduled to be made.

10.8 Limitations on Liability. Notwithstanding any other provisions of the Plan, no individual acting as a director, officer, other employee or agent of the Company or any Subsidiary will be liable to any Participant, former Participant, spouse, beneficiary, or any other person for any claim, loss, liability, or expense incurred in connection with the Plan or any Award, and such individual will not be personally liable with respect to the Plan because of any contract or other instrument executed in his or her capacity as an Administrator, director, officer, other employee or agent of the Company or any Subsidiary. The Company will indemnify and hold harmless each director, officer, other employee and agent of the Company or any Subsidiary that has been or will be granted or delegated any duty or power relating to the Plan's administration or interpretation, against any cost or expense (including attorneys' fees) or liability (including any sum paid in settlement of a claim with the Administrator's approval) arising from any act or omission concerning this Plan unless arising from such person's own fraud or bad faith.

10.9 Lock-Up Period. The Company may, at the request of any underwriter representative or otherwise, in connection with registering the offering of any Company securities under the Securities Act, prohibit Participants from, directly or indirectly, selling or otherwise transferring any Shares or other Company securities during a period of up to one hundred eighty days following the effective date of a Company registration statement filed under the Securities Act, or such longer period as determined by the underwriter.

10.10 Data Privacy. As a condition for receiving any Award, each Participant explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of personal data as described in this section by and among the Company and its Subsidiaries and affiliates exclusively for implementing, administering and managing the Participant's participation in the Plan. The Company and its Subsidiaries and affiliates may hold certain personal information about a Participant, including the Participant's name, address and telephone number; birthdate; social security, insurance number or other identification number; salary; nationality; job title(s); any Shares held in the Company or its Subsidiaries and affiliates; and Award details, to implement, manage and administer the Plan and Awards (the "***Data***"). The Company and its Subsidiaries and affiliates may transfer the Data amongst themselves as necessary to implement, administer and manage a Participant's participation in the Plan, and the Company and its Subsidiaries and affiliates may transfer the Data to third parties assisting the Company with Plan implementation, administration and management. These recipients may be located in the Participant's country, or elsewhere, and the Participant's country may have different data privacy laws and protections than the recipients' country. By accepting an Award, each Participant authorizes such recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, to implement, administer and manage the Participant's participation in the Plan, including any required Data transfer to a broker or other third party with whom the Company or the Participant may elect to deposit any Shares. The Data related to a Participant will be held only as long as necessary to implement, administer, and manage the Participant's participation in the Plan. A Participant may, at any time, view the Data that the Company holds regarding such Participant, request additional information about the storage and processing of the Data regarding such Participant, recommend any necessary corrections to the Data regarding the Participant or refuse or withdraw the consents in this Section 10.10 in writing, without cost, by contacting the local human resources representative. The Company may cancel Participant's ability to participate in the Plan and, in the Administrator's discretion, the Participant may forfeit any outstanding Awards if the Participant refuses or withdraws the consents in this Section 10.10. For more information on the consequences of refusing or withdrawing consent, Participants may contact their local human resources representative.

10.11 Severability. If any portion of the Plan or any action taken under it is held illegal or invalid for any reason, the illegality or invalidity will not affect the remaining parts of the Plan, and the Plan will be construed and enforced as if the illegal or invalid provisions had been excluded, and the illegal or invalid action will be null and void.

10.12 Governing Documents. If any contradiction occurs between the Plan and any Award Agreement or other written agreement between a Participant and the Company (or any Subsidiary) that the Administrator has approved, the Plan will govern, unless it is expressly specified in such Award Agreement or other written document that a specific provision of the Plan will not apply.

10.13 Governing Law. The Plan and all Awards will be governed by and interpreted in accordance with the laws of the State of Delaware, disregarding any state's choice-of-law principles requiring the application of a jurisdiction's laws other than the State of Delaware.

10.14 Claw-back Provisions. All Awards (including any proceeds, gains or other economic benefit the Participant actually or constructively receives upon receipt or exercise of any Award or the receipt or resale of any Shares underlying the Award) will be subject to any Company claw-back policy, including any claw-back policy adopted to comply with Applicable Laws (including the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder) as set forth in such claw-back policy or the Award Agreement.

10.15 Titles and Headings. The titles and headings in the Plan are for convenience of reference only and, if any conflict, the Plan's text, rather than such titles or headings, will control.

10.16 Conformity to Securities Laws. Participant acknowledges that the Plan is intended to conform to the extent necessary with Applicable Laws. Notwithstanding anything herein to the contrary, the Plan and all Awards will be administered only in conformance with Applicable Laws. To the extent Applicable Laws permit, the Plan and all Award Agreements will be deemed amended as necessary to conform to Applicable Laws.

10.17 Relationship to Other Benefits. No payment under the Plan will be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or other benefit plan of the Company or any Subsidiary except as expressly provided in writing in such other plan or an agreement thereunder.

10.18 Broker-Assisted Sales. In the event of a broker-assisted sale of Shares in connection with the payment of amounts owed by a Participant under or with respect to the Plan or Awards, including amounts to be paid under the final sentence of Section 9.5: (a) any Shares to be sold through the broker-assisted sale will be sold on the day the payment first becomes due, or as soon thereafter as practicable; (b) such Shares may be sold as part of a block trade with other Participants in the Plan in which all participants receive an average price; (c) the applicable Participant will be responsible for all broker's fees and other costs of sale, and by accepting an Award, each Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (d) to the extent the Company or its designee receives proceeds of such sale that exceed the amount owed, the Company will pay such excess in cash to the applicable Participant as soon as reasonably practicable; (e) the Company and its designees are under no obligation to arrange for such sale at any particular price; and (f) in the event the proceeds of such sale are insufficient to satisfy the Participant's applicable obligation, the Participant may be required to pay immediately upon demand to the Company or its designee an amount in cash sufficient to satisfy any remaining portion of the Participant's obligation.

ARTICLE XI.
DEFINITIONS

As used in the Plan, the following words and phrases will have the following meanings:

11.1 "***Administrator***" means the Board or a Committee to the extent that the Board's powers or authority under the Plan have been delegated to such Committee.

11.2 "***Applicable Laws***" means the requirements relating to the administration of equity incentive plans under U.S. federal and state securities, tax and other applicable laws, rules and regulations, the applicable rules of any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws and rules of any foreign country or other jurisdiction where Awards are granted.

11.3 "***Award***" means, individually or collectively, a grant under the Plan of Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units or Other Stock or Cash Based Awards.

11.4 "***Award Agreement***" means a written agreement evidencing an Award, which may be electronic, that contains such terms and conditions as the Administrator determines, consistent with and subject to the terms and conditions of the Plan.

11.5 "***Board***" means the Board of Directors of the Company.

11.6 "***Cause***" means (i) if a Participant is a party to a written employment or consulting agreement with the Company or any of its Subsidiaries or an Award Agreement in which the term "cause" is defined (a "***Relevant Agreement***"), "Cause" as defined in the Relevant Agreement, and (ii) if no Relevant Agreement exists, (A) the Administrator's determination that the Participant failed to substantially perform the Participant's duties (other than a failure resulting from the Participant's Disability); (B) the Administrator's determination that the Participant failed to carry out, or comply with any lawful and reasonable directive of the Board or the Participant's immediate supervisor; (C) the occurrence of any act or omission by the Participant that could reasonably be expected to result in (or has resulted in) the Participant's conviction, plea of no contest, plea of nolo contendere, or imposition of unadjudicated probation for any felony or indictable offense or crime involving moral turpitude; (D) the Participant's unlawful use (including being under the influence) or possession of illegal drugs on the premises of the Company or any of its Subsidiaries or while performing the Participant's duties and responsibilities for the Company or any of its Subsidiaries; or (E) the Participant's commission of an act of fraud, embezzlement, misappropriation, misconduct, or breach of fiduciary duty against the Company or any of its Subsidiaries.

11.7 "***Change in Control***" means and includes each of the following:

(a) A transaction or series of transactions (other than an offering of Common Stock to the general public through a registration statement filed with the Securities and Exchange Commission or a transaction or series of transactions that meets the requirements of clauses (i) and (ii) of subsection (c) below) whereby any "person" or related "group" of "persons" (as such terms are used in Sections 13(d) and 14(d)(2) of the Exchange Act) (other than the Company, any of its Subsidiaries, an employee benefit plan maintained by the Company or any of its Subsidiaries or a "person" that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, the Company) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company possessing more than 50% of the total combined voting power of the Company's securities outstanding immediately after such acquisition; or

(b) During any period of two consecutive years, individuals who, at the beginning of such period, constitute the Board together with any new Director(s) (other than a Director designated by a person who shall have entered into an agreement with the Company to effect a transaction described in subsections (a) or (c)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the Directors then still in office who either were Directors at the beginning of the two-year period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

(c) The consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) of (x) a merger, consolidation, reorganization, or business combination or (y) a sale or other disposition of all or substantially all of the Company's assets in any single transaction or series of related transactions or (z) the acquisition of assets or stock of another entity, in each case other than a transaction:

(i) which results in the Company's voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the

Company's assets or otherwise succeeds to the business of the Company (the Company or such person, the "***Successor Entity***")) directly or indirectly, at least a majority of the combined voting power of the Successor Entity's outstanding voting securities immediately after the transaction, and

(ii) after which no person or group beneficially owns voting securities representing 50% or more of the combined voting power of the Successor Entity; provided, however, that no person or group shall be treated for purposes of this clause (ii) as beneficially owning 50% or more of the combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction.

Notwithstanding the foregoing, if a Change in Control constitutes a payment event with respect to any Award (or portion of any Award) that provides for the deferral of compensation that is subject to Section 409A, to the extent required to avoid the imposition of additional taxes under Section 409A, the transaction or event described in subsection (a), (b) or (c) with respect to such Award (or portion thereof) shall only constitute a Change in Control for purposes of the payment timing of such Award if such transaction also constitutes a "change in control event," as defined in Treasury Regulation Section 1.409A-3(i)(5).

The Administrator shall have full and final authority, which shall be exercised in its discretion, to determine conclusively whether a Change in Control has occurred pursuant to the above definition, the date of the occurrence of such Change in Control and any incidental matters relating thereto; provided that any exercise of authority in conjunction with a determination of whether a Change in Control is a "change in control event" as defined in Treasury Regulation Section 1.409A-3(i)(5) shall be consistent with such regulation.

11.8 "***Code***" means the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder.

11.9 "***Committee***" means one or more committees or subcommittees of the Board, which may include one or more Company directors or executive officers, to the extent Applicable Laws permit. To the extent required to comply with the provisions of Rule 16b-3, it is intended that each member of the Committee will be, at the time the Committee takes any action with respect to an Award that is subject to Rule 16b-3, a "non-employee director" within the meaning of Rule 16b-3; however, a Committee member's failure to qualify as a "non-employee director" within the meaning of Rule 16b-3 will not invalidate any Award granted by the Committee that is otherwise validly granted under the Plan.

11.10 "***Common Stock***" means the common stock of the Company.

11.11 "***Company***" means Cartesian Therapeutics, Inc., a Delaware corporation, or any successor.

11.12 "***Consultant***" means any person, including any adviser, engaged by the Company or its parent or Subsidiary to render services to such entity if the consultant or adviser: (i) renders bona fide services to the Company; (ii) renders services not in connection with the offer or sale of securities in a capital-raising transaction and does not directly or indirectly promote or maintain a market for the Company's securities; and (iii) is a natural person.

11.13 "***Designated Beneficiary***" means the beneficiary or beneficiaries the Participant designates, in a manner the Administrator determines, to receive amounts due or exercise the Participant's

rights if the Participant dies or becomes incapacitated. Without a Participant's effective designation, "Designated Beneficiary" will mean the Participant's estate.

11.14 "***Director***" means a Board member.

11.15 "***Disability***" means a permanent and total disability under Section 22(e)(3) of the Code, as amended.

11.16 "***Dividend Equivalents***" means a right granted to a Participant under the Plan to receive the equivalent value (in cash or Shares) of dividends paid on Shares.

11.17 "***Eligible Individual***" means any individual who was not previously an Employee or Director hired as a new Employee or rehired as an Employee following a bona fide period of interruption of employment if such person is granted an Award as a material inducement to his or her entering into employment with the Company or a Subsidiary (within the meaning of the NASDAQ Rule 5635(c)(4)).

11.18 "***Employee***" means any employee of the Company or its Subsidiaries.

11.19 "***Equity Restructuring***" means a nonreciprocal transaction between the Company and its stockholders, such as a stock dividend, stock split, spin-off or recapitalization through a large, nonrecurring cash dividend, that affects the number or kind of Shares (or other Company securities) or the share price of Common Stock (or other Company securities) and causes a change in the per share value of the Common Stock underlying outstanding Awards.

11.20 "***Exchange Act***" means the Securities Exchange Act of 1934, as amended.

11.21 "***Fair Market Value***" means, as of any date, the value of Common Stock determined as follows: (i) if the Common Stock is listed on any established stock exchange, its Fair Market Value will be the closing sales price for such Common Stock as quoted on such exchange for such date, or if no sale occurred on such date, the last day preceding such date during which a sale occurred, as reported in The Wall Street Journal or another source the Administrator deems reliable; (ii) if the Common Stock is not traded on a stock exchange but is quoted on a national market or other quotation system, the closing sales price on such date, or if no sales occurred on such date, then on the last date preceding such date during which a sale occurred, as reported in The Wall Street Journal or another source the Administrator deems reliable; or (iii) without an established market for the Common Stock, the Administrator will determine the Fair Market Value in its discretion.

11.22 "***Incentive Stock Option***" means an Option intended to qualify as an "incentive stock option" as defined in Section 422 of the Code.

11.23 "***Independent Director***" means a Director who qualifies as "independent" within the meaning of NASDAQ Rule 5635(c)(4), or any successor rule, as such rule may be amended from time to time.

11.24 "***NASDAQ Rule 5635(c)(4)***" means NASDAQ Rule 5635(c)(4), or any successor rule, and all guidance and other interpretative authority thereunder, as such rule, guidance and other authority may be amended from time to time.

11.25 "***Non-Qualified Stock Option***" means an Option not intended to qualify as an Incentive Stock Option.

11.26 "***Option***" means an option to purchase Shares.

11.27 "***Other Stock or Cash Based Awards***" means cash awards, awards of Shares, and other awards valued wholly or partially by referring to, or are otherwise based on, Shares or other property.

11.28 "***Overall Share Limit***" means 1,726,666.

11.29 "***Participant***" means an Eligible Individual who has been granted an Award.

11.30 "***Performance Criteria***" mean the criteria (and adjustments) that the Administrator may select for an Award to establish performance goals for a performance period, which may include the following: net earnings or losses (either before or after one or more of interest, taxes, depreciation, amortization, and non-cash equity-based compensation expense); gross or net sales or revenue or sales or revenue growth; net income (either before or after taxes) or adjusted net income; profits (including but not limited to gross profits, net profits, profit growth, net operation profit or economic profit), profit return ratios or operating margin; budget or operating earnings (either before or after taxes or before or after allocation of corporate overhead and bonus); cash flow (including operating cash flow and free cash flow or cash flow return on capital); return on assets; return on capital or invested capital; cost of capital; return on stockholders' equity; total stockholder return; return on sales; costs, reductions in costs and cost control measures; expenses; working capital; earnings or loss per share; adjusted earnings or loss per share; price per share or dividends per share (or appreciation in or maintenance of such price or dividends); regulatory achievements or compliance; implementation, completion or attainment of objectives relating to research, development, regulatory, commercial, or strategic milestones or developments; market share; economic value or economic value added models; division, group or corporate financial goals; customer satisfaction/growth; customer service; employee satisfaction; recruitment and maintenance of personnel; human resources management; supervision of litigation and other legal matters; strategic partnerships and transactions; financial ratios (including those measuring liquidity, activity, profitability or leverage); debt levels or reductions; sales-related goals; financing and other capital raising transactions; cash on hand; acquisition activity; investment sourcing activity; and marketing initiatives, any of which may be measured in absolute terms or as compared to any incremental increase or decrease. Such performance goals also may be based solely by reference to the Company's performance or the performance of a Subsidiary, division, business segment or business unit of the Company or a Subsidiary, or based upon performance relative to performance of other companies or upon comparisons of any of the indicators of performance relative to performance of other companies. The Committee may provide for exclusion of the impact of an event or occurrence which the Committee determines should appropriately be excluded, including (a) restructurings, discontinued operations, extraordinary items, and other unusual, infrequently occurring or non-recurring charges or events, (b) asset write-downs, (c) litigation or claim judgments or settlements, (d) acquisitions or divestitures, (e) reorganization or change in the corporate structure or capital structure of the Company, (f) an event either not directly related to the operations of the Company, Subsidiary, division, business segment or business unit or not within the reasonable control of management, (g) foreign exchange gains and losses, (h) a change in the fiscal year of the Company, (i) the refinancing or repurchase of bank loans or debt securities, (j) unbudgeted capital expenditures, (k) the issuance or repurchase of equity securities and other changes in the number of outstanding shares, (l) conversion of some or all of convertible securities to Common Stock, (m) any business interruption event, (n) the cumulative effects of tax or accounting changes in accordance with U.S. generally accepted accounting principles, or (o) the effect of changes in other laws or regulatory rules affecting reported results.

11.31 "***Plan***" means this 2018 Employment Inducement Incentive Award Plan.

11.32 "***Restricted Stock***" means Shares awarded to a Participant under Article VI subject to certain vesting conditions and other restrictions.

11.33 "***Restricted Stock Unit***" means an unfunded, unsecured right to receive, on the applicable settlement date, one Share or an amount in cash or other consideration determined by the Administrator to be of equal value as of such settlement date, subject to certain vesting conditions and other restrictions.

11.34 "***Rule 16b-3***" means Rule 16b-3 promulgated under the Exchange Act.

11.35 "***Section 409A***" means Section 409A of the Code and all regulations, guidance, compliance programs and other interpretative authority thereunder.

11.36 "***Securities Act***" means the Securities Act of 1933, as amended.

11.37 "***Service Provider***" means an Employee, Consultant or Director.

11.38 "***Shares***" means shares of Common Stock.

11.39 "***Stock Appreciation Right***" means a stock appreciation right granted under Article V.

11.40 "***Subsidiary***" means any entity (other than the Company), whether domestic or foreign, in an unbroken chain of entities beginning with the Company if each of the entities other than the last entity in the unbroken chain beneficially owns, at the time of the determination, securities or interests representing at least 50% of the total combined voting power of all classes of securities or interests in one of the other entities in such chain.

11.41 "***Termination of Service***" means the date the Participant ceases to be a Service Provider.

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CARTESIAN THERAPEUTICS, INC.
AMENDED AND RESTATED 2018 EMPLOYMENT INDUCEMENT INCENTIVE AWARD PLAN

RESTRICTED STOCK UNIT GRANT NOTICE

Capitalized terms not specifically defined in this Restricted Stock Unit Grant Notice (the "***Grant Notice***") have the meanings given to them in the Amended and Restated 2018 Employment Inducement Incentive Award Plan (as amended from time to time, the "***Plan***") of Cartesian Therapeutics, Inc. (the "***Company***").

The Company has granted to the participant listed below ("***Participant***") the Restricted Stock Units described in this Grant Notice (the "***RSUs***"), subject to the terms and conditions of the Plan and the Restricted Stock Unit Agreement attached as **Exhibit A** (the "***Agreement***"), both of which are incorporated into this Grant Notice by reference.

Participant:

Grant Date:

Number of RSUs:

Vesting Commencement Date:

Vesting Schedule: [To be specified in individual award agreements]

By Participant's signature below, Participant agrees to be bound by the terms of this Grant Notice, the Plan and the Agreement. Participant has reviewed the Plan, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice and the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, this Grant Notice or the Agreement.

CARTESIAN THERAPEUTICS, INC.	**PARTICIPANT**
By: __	__
Name: __	[Participant Name]
Title: __	

RESTRICTED STOCK UNIT AGREEMENT

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the Plan.

ARTICLE I.
GENERAL

1.1 Award of RSUs and Dividend Equivalents.

(a) The Company has granted the RSUs to Participant effective as of the grant date set forth in the Grant Notice (the "***Grant Date***"). Each RSU represents the right to receive one Share or, at the option of the Company, an amount of cash, in either case, as set forth in this Agreement. Participant will have no right to the distribution of any Shares or payment of any cash until the time (if ever) the RSUs have vested.

(b) The Company hereby grants to Participant, with respect to each RSU, a Dividend Equivalent for ordinary cash dividends paid to substantially all holders of outstanding Shares with a record date after the Grant Date and prior to the date the applicable RSU is settled, forfeited or otherwise expires. Each Dividend Equivalent entitles Participant to receive the equivalent value of any such ordinary cash dividends paid on a single Share. The Company will establish a separate Dividend Equivalent bookkeeping account (a "***Dividend Equivalent Account***") for each Dividend Equivalent and credit the Dividend Equivalent Account (without interest) on the applicable dividend payment date with the amount of any such cash paid.

1.2 Incorporation of Terms of Plan. The RSUs are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan will control.

1.3 Unsecured Promise. The RSUs and Dividend Equivalents will at all times prior to settlement represent an unsecured Company obligation payable only from the Company's general assets.

1.4 Employment Inducement Award. The RSUs are intended to constitute an "employment inducement award" under NASDAQ Rule 5635(c)(4) that is exempt from the requirements of shareholder approval of equity-compensation plans under NASDAQ Rule 5635(c)(4). This Agreement and the terms and conditions of the RSUs will be interpreted consistent with such intent.

ARTICLE II.
VESTING; FORFEITURE AND SETTLEMENT

2.1 Vesting; Forfeiture. The RSUs will vest according to the vesting schedule in the Grant Notice except that any fraction of an RSU that would otherwise be vested will be accumulated and will vest only when a whole RSU has accumulated. In the event of Participant's Termination of Service for any reason, all unvested RSUs will immediately and automatically be cancelled and forfeited, except as otherwise determined by the Administrator or provided in a binding written agreement between Participant and the Company. Dividend Equivalents (including any Dividend Equivalent Account balance) will vest or be forfeited, as applicable, upon the vesting or forfeiture of the RSU with respect to which the Dividend Equivalent (including the Dividend Equivalent Account) relates.

2.2 Settlement.

(a) RSUs and Dividend Equivalents (including any Dividend Equivalent Account balance) will be paid in Shares or cash at the Company's option as soon as administratively practicable after the vesting of the applicable RSU, but in no event more than sixty (60) days after the RSU's vesting date. Notwithstanding the foregoing, the Company may delay any payment under this Agreement that the Company reasonably determines would violate Applicable Law until the earliest date the Company reasonably determines the making of the payment will not cause such a violation (in accordance with Treasury Regulation Section 1.409A-2(b)(7)(ii)), provided the Company reasonably believes the delay will not result in the imposition of taxes under Section 409A.

(b) If an RSU is paid in cash, the amount of cash paid with respect to the RSU will equal the Fair Market Value of a Share on the day immediately preceding the payment date. If a Dividend Equivalent is paid in Shares, the number of Shares paid with respect to the Dividend Equivalent will equal the quotient, rounded down to the nearest whole Share, of the Dividend Equivalent Account balance divided by the Fair Market Value of a Share on the day immediately preceding the payment date.

ARTICLE III.
TAXATION AND TAX WITHHOLDING

3.1 Representation. Participant represents to the Company that Participant has reviewed with Participant's own tax advisors the tax consequences of this Award and the transactions contemplated by the Grant Notice and this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

3.2 Tax Withholding.

(a) The Company has the right and option, but not the obligation, to treat Participant's failure to provide timely payment in accordance with the Plan of any withholding tax arising in connection with the RSUs or Dividend Equivalents as Participant's election to satisfy all or any portion of the withholding tax by requesting the Company retain Shares otherwise issuable under the Award.

(b) Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with the RSUs and the Dividend Equivalents, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the RSUs or Dividend Equivalents. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the RSUs or the Dividend Equivalents or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the RSUs or Dividend Equivalents to reduce or eliminate Participant's tax liability.

ARTICLE IV.
OTHER PROVISIONS

4.1 Adjustments. Participant acknowledges that the RSUs, the Shares subject to the RSUs and the Dividend Equivalents are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan.

4.2 Notices. Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's

principal office or the Secretary's then-current email address or facsimile number. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant at Participant's last known mailing address, email address or facsimile number in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given when actually received, when sent by email, when sent by certified mail (return receipt requested) and deposited with postage prepaid in a post office or branch post office regularly maintained by the United States Postal Service, when delivered by a nationally recognized express shipping company or upon receipt of a facsimile transmission confirmation.

4.3 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

4.4 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws.

4.5 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in the Plan, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

4.6 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Grant Notice, this Agreement, the RSUs and the Dividend Equivalents will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

4.7 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

4.8 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

4.9 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs and Dividend Equivalents, and rights no greater than the right to receive cash or the Shares as a general unsecured creditor with respect to the RSUs and Dividend Equivalents, as and when settled pursuant to the terms of this Agreement.

4.10 Not a Contract of Employment. Nothing in the Plan, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ or service of the Company or any Subsidiary

or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

4.11 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which will be deemed an original and all of which together will constitute one instrument.

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CARTESIAN THERAPEUTICS, INC.

AMENDED AND RESTATED 2018 EMPLOYMENT INDUCEMENT INCENTIVE AWARD PLAN

STOCK OPTION GRANT NOTICE

Capitalized terms not specifically defined in this Stock Option Grant Notice (the "***Grant Notice***") have the meanings given to them in the Amended and Restated 2018 Employment Inducement Incentive Award Plan (as amended from time to time, the "***Plan***") of Cartesian Therapeutics, Inc. (the "***Company***").

The Company has granted to the participant listed below ("***Participant***") the stock option described in this Grant Notice (the "***Option***"), subject to the terms and conditions of the Plan and the Stock Option Agreement attached as **Exhibit A** (the "***Agreement***"), both of which are incorporated into this Grant Notice by reference.

Participant:	
Grant Date:	
Exercise Price per Share:	
Shares Subject to the Option:	
Final Expiration Date:	
Vesting Commencement Date:	
Vesting Schedule:	[To be specified in individual award agreements]
Type of Option	Non-Qualified Stock Option

By Participant's signature below, Participant agrees to be bound by the terms of this Grant Notice, the Plan and the Agreement. Participant has reviewed the Plan, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice and the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, this Grant Notice or the Agreement.

CARTESIAN THERAPEUTICS, INC.	**PARTICIPANT**
By: __	__
Name: __	[Participant Name]
Title: __	

STOCK OPTION AGREEMENT

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the Plan.

ARTICLE I.
GENERAL

1.1 Grant of Option. The Company has granted to Participant the Option effective as of the grant date set forth in the Grant Notice (the "***Grant Date***").

1.2 Incorporation of Terms of Plan. The Option is subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan will control.

1.3 Employment Inducement Award. The Option is intended to constitute an "employment inducement award" under NASDAQ Rule 5635(c)(4) that is exempt from the requirements of shareholder approval of equity-compensation plans under NASDAQ Rule 5635(c)(4). This Agreement and the terms and conditions of the Option will be interpreted consistent with such intent.

ARTICLE II.
PERIOD OF EXERCISABILITY

2.1 Commencement of Exercisability. The Option will vest and become exercisable according to the vesting schedule in the Grant Notice (the "***Vesting Schedule***") except that any fraction of a Share as to which the Option would be vested or exercisable will be accumulated and will vest and become exercisable only when a whole Share has accumulated. Notwithstanding anything in the Grant Notice, the Plan or this Agreement to the contrary, unless the Administrator otherwise determines, the Option will immediately expire and be forfeited as to any portion that is not vested and exercisable as of Participant's Termination of Service for any reason.

2.2 Duration of Exercisability. The Vesting Schedule is cumulative. Any portion of the Option which vests and becomes exercisable will remain vested and exercisable until the Option expires. The Option will be forfeited immediately upon its expiration.

2.3 Expiration of Option. The Option may not be exercised to any extent by anyone after, and will expire on, the first of the following to occur:

(a) The final expiration date in the Grant Notice;

(b) Except as the Administrator may otherwise approve, the expiration of three (3) months from the date of Participant's Termination of Service, unless Participant's Termination of Service is for Cause or by reason of Participant's death or Disability;

(c) Except as the Administrator may otherwise approve, the expiration of one (1) year from the date of Participant's Termination of Service by reason of Participant's death or Disability; and

(d) Except as the Administrator may otherwise approve, Participant's Termination of Service for Cause.

ARTICLE III.
EXERCISE OF OPTION

3.1 Person Eligible to Exercise. During Participant's lifetime, only Participant may exercise the Option. After Participant's death, any exercisable portion of the Option may, prior to the time the Option expires, be exercised by Participant's Designated Beneficiary as provided in the Plan.

3.2 Partial Exercise. Any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised, in whole or in part, according to the procedures in the Plan at any time prior to the time the Option or portion thereof expires, except that the Option may only be exercised for whole Shares.

3.3 Tax Withholding.

(a) The Company has the right and option, but not the obligation, to treat Participant's failure to provide timely payment in accordance with the Plan of any withholding tax arising in connection with the Option as Participant's election to satisfy all or any portion of the withholding tax by requesting the Company retain Shares otherwise issuable under the Option.

(b) Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with the Option, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the Option. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or exercise of the Option or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the Option to reduce or eliminate Participant's tax liability.

3.4 Non-Exempt Employees. If Participant is an Employee in the United States who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, the Option will not be first exercisable until at least six (6) months following the Grant Date (although the Option may vest prior to such date if provided for pursuant to the Vesting Schedule). Consistent with the provisions of the Worker Economic Opportunity Act, (i) if such Participant dies or suffers a Disability, (ii) upon a Change in Control, or (iii) upon the Participant's retirement (as determined in accordance with the Company's then current employment policies and guidelines), the vested portion of the Option may be exercised earlier than six (6) months following the Grant Date. The foregoing provision is intended to operate so that any income derived by a Participant who is a non-exempt Employee in connection with the exercise or vesting of an Option will be exempt from his or her regular rate of pay.

ARTICLE IV.
OTHER PROVISIONS

4.1 Adjustments. Participant acknowledges that the Option is subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan.

4.2 Notices. Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address or facsimile number. Any notice to be given

under the terms of this Agreement to Participant must be in writing and addressed to Participant (or, if Participant is then deceased, to the person entitled to exercise the Option) at Participant's last known mailing address, email address or facsimile number in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given when actually received, when sent by email, when sent by certified mail (return receipt requested) and deposited with postage prepaid in a post office or branch post office regularly maintained by the United States Postal Service, when delivered by a nationally recognized express shipping company or upon receipt of a facsimile transmission confirmation.

4.3 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

4.4 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws.

4.5 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in the Plan, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

4.6 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Grant Notice, this Agreement and the Option will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

4.7 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

4.8 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

4.9 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Option, and rights no greater than the right to receive the Shares as a general unsecured creditor with respect to the Option, as and when exercised pursuant to the terms hereof.

4.10 Not a Contract of Employment. Nothing in the Plan, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ or service of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are

hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

4.11 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which will be deemed an original and all of which together will constitute one instrument.

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CARTESIAN THERAPUETICS, INC.
AMENDED AND RESTATED 2018 EMPLOYMENT INDUCEMENT INCENTIVE AWARD PLAN

RESTRICTED STOCK GRANT NOTICE

Capitalized terms not specifically defined in this Restricted Stock Grant Notice (the "***Grant Notice***") have the meanings given to them in the Amended and Restated 2018 Employment Inducement Incentive Award Plan (as amended from time to time, the "***Plan***") of Cartesian Therapeutics, Inc. (the "***Company***").

The Company has granted to the participant listed below ("***Participant***") the shares of Restricted Stock described in this Grant Notice (the "***Restricted Shares***"), subject to the terms and conditions of the Plan and the Restricted Stock Agreement attached as **Exhibit A** (the "***Agreement***"), both of which are incorporated into this Grant Notice by reference.

Participant:

Grant Date:

Number of Restricted Shares:

Vesting Commencement Date:

Vesting Schedule: [To be specified in individual award agreements]

By Participant's signature below, Participant agrees to be bound by the terms of this Grant Notice, the Plan and the Agreement. Participant has reviewed the Plan, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice and the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, this Grant Notice or the Agreement.

CARTESIAN THERAPEUTICS, INC.	**PARTICIPANT**
By: __	__
Name: __	[Participant Name]
Title: __	

RESTRICTED STOCK AGREEMENT

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the Plan.

ARTICLE I.
GENERAL

1.1 Issuance of Restricted Shares. The Company will issue the Restricted Shares to the Participant effective as of the grant date set forth in the Grant Notice and will cause (a) a stock certificate or certificates representing the Restricted Shares to be registered in Participant's name or (b) the Restricted Shares to be held in book-entry form. If a stock certificate is issued, the certificate will be delivered to, and held in accordance with this Agreement by, the Company or its authorized representatives and will bear the restrictive legends required by this Agreement. If the Restricted Shares are held in book-entry form, then the book-entry will indicate that the Restricted Shares are subject to the restrictions of this Agreement.

1.2 Incorporation of Terms of Plan. The Restricted Shares are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan will control.

1.3 Employment Inducement Award. The Restricted Shares are intended to constitute an "employment inducement award" under NASDAQ Rule 5635(c)(4) that is exempt from the requirements of shareholder approval of equity-compensation plans under NASDAQ Rule 5635(c)(4). This Agreement and the terms and conditions of the Restricted Shares will be interpreted consistent with such intent.

ARTICLE II.
VESTING, FORFEITURE AND ESCROW

2.1 Vesting. The Restricted Shares will become vested Shares (the "***Vested Shares***") according to the vesting schedule in the Grant Notice except that any fraction of a Share that would otherwise become a Vested Share will be accumulated and will become a Vested Share only when a whole Vested Share has accumulated.

2.2 Forfeiture. In the event of Participant's Termination of Service for any reason, Participant will immediately and automatically forfeit to the Company any Shares that are not Vested Shares (the "***Unvested Shares***") at the time of Participant's Termination of Service, except as otherwise determined by the Administrator or provided in a binding written agreement between Participant and the Company. Upon forfeiture of Unvested Shares, the Company will become the legal and beneficial owner of the Unvested Shares and all related interests and Participant will have no further rights with respect to the Unvested Shares.

2.3 Escrow.

(a) Unvested Shares will be held by the Company or its authorized representatives until (i) they are forfeited, (ii) they become Vested Shares or (iii) this Agreement is no longer in effect. By accepting this Award, Participant appoints the Company and its authorized representatives as Participant's attorney(s)-in-fact to take all actions necessary to effect any transfer of forfeited Unvested Shares (and Retained Distributions (as defined below), if any, paid on such forfeited Unvested Shares) to the Company as may be required pursuant to the Plan or this Agreement and to execute such

representations or other documents or assurances as the Company or such representatives deem necessary or advisable in connection with any such transfer. The Company, or its authorized representative, will not be liable for any good faith act or omission with respect to the holding in escrow or transfer of the Restricted Shares.

(b) All cash dividends and other distributions made or declared with respect to Unvested Shares ("***Retained Distributions***") will be held by the Company until the time (if ever) when the Unvested Shares to which such Retained Distributions relate become Vested Shares. The Company will establish a separate Retained Distribution bookkeeping account ("***Retained Distribution Account***") for each Unvested Share with respect to which Retained Distributions have been made or declared in cash and credit the Retained Distribution Account (without interest) on the date of payment with the amount of such cash made or declared with respect to the Unvested Share. Retained Distributions (including any Retained Distribution Account balance) will immediately and automatically be forfeited upon forfeiture of the Unvested Share with respect to which the Retained Distributions were paid or declared.

(c) As soon as reasonably practicable following the date on which an Unvested Share becomes a Vested Share, the Company will (i) cause the certificate (or a new certificate without the legend required by this Agreement, if Participant so requests) representing the Share to be delivered to Participant or, if the Share is held in book-entry form, cause the notations indicating the Share is subject to the restrictions of this Agreement to be removed and (ii) pay to Participant the Retained Distributions relating to the Share.

2.4 Rights as Stockholder. Except as otherwise provided in this Agreement or the Plan, upon issuance of the Restricted Shares by the Company, Participant will have all the rights of a stockholder with respect to the Restricted Shares, including the right to vote the Restricted Shares and to receive dividends or other distributions paid or made with respect to the Restricted Shares.

ARTICLE III.
TAXATION AND TAX WITHHOLDING

3.1 Representation. Participant represents to the Company that Participant has reviewed with Participant's own tax advisors the tax consequences of the Restricted Shares and the transactions contemplated by the Grant Notice and this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

3.2 Section 83(b) Election. If Participant makes an election under Section 83(b) of the Code with respect to the Restricted Shares, Participant will deliver a copy of the election to the Company promptly after filing the election with the Internal Revenue Service.

3.3 Tax Withholding.

(a) The Company has the right and option, but not the obligation, to treat Participant's failure to provide timely payment in accordance with the Plan of any withholding tax arising in connection with the Restricted Shares as Participant's election to satisfy all or any portion of the withholding tax by requesting the Company retain Shares otherwise deliverable under the Award.

(b) Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with the Restricted Shares, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the Restricted Shares. Neither the Company nor any Subsidiary makes any representation or undertaking

regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the Restricted Shares or the subsequent sale of the Restricted Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure this Award to reduce or eliminate Participant's tax liability.

ARTICLE IV.
RESTRICTIVE LEGENDS AND TRANSFERABILITY

4.1 Legends. Any certificate representing a Restricted Share will bear the following legend until the Restricted Share becomes a Vested Share:

> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO FORFEITURE IN FAVOR OF THE COMPANY AND MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF A RESTRICTED STOCK AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

4.2 Transferability. The Restricted Shares and any Retained Distributions are subject to the restrictions on transfer in the Plan and may not be sold, assigned or transferred in any manner unless and until they become Vested Shares. Any attempted transfer or disposition of Unvested Shares or related Retained Distributions prior to the time the Unvested Shares become Vested Shares will be null and void. The Company will not be required to (a) transfer on its books any Restricted Share that has been sold or otherwise transferred in violation of this Agreement or (b) treat as owner of such Restricted Share or accord the right to vote or pay dividends to any purchaser or other transferee to whom such Restricted Share has been so transferred. The Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, or make appropriate notations to the same effect in its records.

ARTICLE V.
OTHER PROVISIONS

5.1 Adjustments. Participant acknowledges that the Restricted Shares are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan.

5.2 Notices. Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address or facsimile number. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant at Participant's last known mailing address, email address or facsimile number in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given when actually received, when sent by email, when sent by certified mail (return receipt requested) and deposited with postage prepaid in a post office or branch post office regularly maintained by the United States Postal Service, when delivered by a nationally recognized express shipping company or upon receipt of a facsimile transmission confirmation.

5.3 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

5.4 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws.

5.5 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in this Agreement or the Plan, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

5.6 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Grant Notice, this Agreement and the Restricted Shares will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

5.7 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

5.8 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

5.9 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Award.

5.10 Not a Contract of Employment. Nothing in the Plan, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ or service of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

5.11 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which will be deemed an original and all of which together will constitute one instrument.

* * * * *

Exhibit 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Carsten Brunn, Ph.D., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cartesian Therapeutics, Inc.;

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

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

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

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

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

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

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

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

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

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

August 6, 2026

/s/ Carsten Brunn, Ph.D.
Carsten Brunn, Ph.D.
President, Chief Executive Officer and Chairman of the Board
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Blaine Davis, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cartesian Therapeutics, Inc.;

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

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

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

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

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

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

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

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

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

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

August 6, 2026

/s/ Blaine Davis

Blaine Davis
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Cartesian Therapeutics, Inc. (the "Company") for the period ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company hereby certifies, pursuant to 18 U.S.C. Section 1350, that to his knowledge:

1. The Quarterly Report on Form 10-Q of the Company for the period ended June 30, 2026 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 6, 2026

/s/ Carsten Brunn, Ph.D.
Carsten Brunn, Ph.D.
President, Chief Executive Officer and Chairman of the Board
(Principal Executive Officer)

August 6, 2026

/s/ Blaine Davis
Blaine Davis
Chief Financial Officer
(Principal Financial Officer)