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# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
## WASHINGTON, DC 20549

# FORM 10-Q

**(Mark One)**

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

**For the quarterly period ended September 30, 2024**

**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: 001-40631**

# Caribou Biosciences, Inc.

**(Exact Name of Registrant as Specified in its Charter)**

| **Delaware** | **45-3728228** |
|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(I.R.S. Employer Identification No.)** |
| **2929 7th Street, Suite 105<br>Berkeley, California** | **94710** |
| **(Address of principal executive offices)** | **(Zip Code)** |

**Registrant's telephone number, including area code: (510) 982-6030**

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, par value $0.0001 per share | CRBU | The Nasdaq Global Select Market |

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, a 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 November 1, 2024, the registrant had 90,552,687 shares of common stock, $0.0001 par value per share, outstanding.

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## PART I—FINANCIAL INFORMATION

**Item 1. Financial Statements.**

**CARIBOU BIOSCIENCES, INC. AND ITS SUBSIDIARIES**
**Condensed Consolidated Balance Sheets**
**(Unaudited)**
**(in thousands, except share and per share amounts)**

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | $ 31,970 | $ 51,162 |
| Marketable securities, short-term | 196,208 | 277,665 |
| Accounts receivable | 184 | 148 |
| Contract assets | 798 | 1,425 |
| Other receivables | 1,683 | 2,286 |
| Prepaid expenses and other current assets | 6,583 | 6,155 |
| Total current assets | 237,426 | 338,841 |
| NON-CURRENT ASSETS | | |
| Investments in equity securities | 9,272 | 7,753 |
| Marketable securities, long-term | 52,837 | 43,577 |
| Property and equipment, net | 19,565 | 18,270 |
| Operating lease, right of use assets | 20,493 | 22,182 |
| Other assets | 4,741 | 1,586 |
| TOTAL ASSETS | $ 344,334 | $ 432,209 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| CURRENT LIABILITIES | | |
| Accounts payable | $ 2,704 | $ 3,120 |
| Accrued expenses and other current liabilities | 25,448 | 21,135 |
| Operating lease liabilities, current | 1,178 | 1,200 |
| Deferred revenue ($2,487 from related party as of September 30, 2024, and December 31, 2023) | 2,829 | 2,847 |
| Total current liabilities | 32,159 | 28,302 |
| LONG-TERM LIABILITIES | | |
| Deferred revenue, net of current portion ($1,865 and $3,730 from related party as of September 30, 2024, and December 31, 2023, respectively) | 3,947 | 6,102 |
| MSKCC success payments liability | 1,005 | 2,939 |
| Operating lease liabilities, non-current | 25,463 | 25,908 |
| Deferred tax liabilities | 557 | 557 |
| Total liabilities | 63,131 | 63,808 |
| COMMITMENTS AND CONTINGENCIES (Note 9) | | |
| STOCKHOLDERS' EQUITY | | |
| Common stock, par value $0.0001 per share, 300,000,000 shares authorized at September 30, 2024, and December 31, 2023; 90,552,687 and 88,448,948 shares issued and outstanding as of September 30, 2024, and December 31, 2023, respectively | 9 | 8 |
| Additional paid-in-capital | 693,305 | 667,648 |
| Accumulated other comprehensive income | 789 | 30 |
| Accumulated deficit | (412,900) | (299,285) |
| Total stockholders' equity | 281,203 | 368,401 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | $ 344,334 | $ 432,209 |

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

**CARIBOU BIOSCIENCES, INC. AND ITS SUBSIDIARIES**
**Condensed Consolidated Statements of Operations and Comprehensive Loss**
**(Unaudited)**
**(in thousands, except share and per share amounts)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Licensing and collaboration revenue (including $622 and $3,488 for three and nine months ended September 30, 2024, respectively, and $622 and $1,772 for three and nine months ended September 30, 2023, respectively, from related parties) | $ 2,024 | $ 23,662 | $ 7,917 | $ 30,919 |
| Operating expenses: | | | | |
| Research and development | 30,421 | 28,584 | 99,689 | 80,796 |
| General and administrative | 9,841 | 9,711 | 35,969 | 28,740 |
| Total operating expenses | 40,262 | 38,295 | 135,658 | 109,536 |
| Loss from operations | (38,238) | (14,633) | (127,741) | (78,617) |
| Other income: | | | | |
| Change in fair value of equity securities | (14) | (4) | (116) | 3 |
| Change in fair value of the MSKCC success payments liability | (164) | (139) | 1,934 | 395 |
| Other income, net | 3,732 | 4,774 | 12,308 | 10,654 |
| Total other income | 3,554 | 4,631 | 14,126 | 11,052 |
| Net loss | (34,684) | (10,002) | (113,615) | (67,565) |
| Other comprehensive income: | | | | |
| Net unrealized gain on available-for-sale marketable securities, net of tax | 1,108 | 155 | 759 | 537 |
| Net comprehensive loss | $ (33,576) | $ (9,847) | $ (112,856) | $ (67,028) |
| Net loss per share, basic and diluted | $ (0.38) | $ (0.12) | $ (1.26) | $ (0.98) |
| Weighted-average common shares outstanding, basic and diluted | 90,455,900 | 83,783,992 | 90,034,799 | 68,878,921 |

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

**CARIBOU BIOSCIENCES, INC. AND ITS SUBSIDIARIES**
**Condensed Consolidated Statements of Stockholders' Equity**
**(Unaudited)**
**(in thousands, except share amounts)**

| | Common Stock | | Additional Paid-In Capital | Accumulated Other Comprehensive (Loss) Income | Accumulated Deficit | Total Stockholders' Equity |
|---|---|---|---|---|---|---|
| | Shares | Amount | | | | |
| **BALANCE—December 31, 2023** | 88,448,948 | $ 8 | $ 667,648 | $ 30 | $ (299,285) | $ 368,401 |
| Issuances of common stock under ESPP | 122,035 | — | 667 | — | — | 667 |
| Issuances of common stock on exercises of options | 134,347 | — | 489 | — | — | 489 |
| Issuances of common stock in connection with our ATM offering, net of offering expenses | 1,594,171 | 1 | 11,329 | — | — | 11,330 |
| Issuances of common stock upon vesting of RSUs | 15,000 | — | — | — | — | — |
| Stock-based compensation expense | — | — | 3,988 | — | — | 3,988 |
| Net loss | — | — | — | — | (41,234) | (41,234) |
| Other comprehensive loss | — | — | — | (352) | — | (352) |
| **BALANCE—March 31, 2024** | 90,314,501 | $ 9 | $ 684,121 | $ (322) | $ (340,519) | $ 343,289 |
| Issuances of common stock under ESPP | 400 | — | 2 | — | — | 2 |
| Issuances of common stock on exercises of options | 47,870 | — | 129 | — | — | 129 |
| Stock-based compensation expense | — | — | 4,738 | — | — | 4,738 |
| Net loss | — | — | — | — | (37,697) | (37,697) |
| Other comprehensive income | — | — | — | 3 | — | 3 |
| **BALANCE—June 30, 2024** | 90,362,771 | $ 9 | 688,990 | $ (319) | $ (378,216) | $ 310,464 |
| Issuances of common stock under ESPP | 138,743 | — | 246 | — | — | 246 |
| Issuances of common stock upon vesting of RSUs | 51,173 | — | — | — | — | — |
| Stock-based compensation expense | — | — | 4,069 | — | — | 4,069 |
| Net loss | — | — | — | — | (34,684) | (34,684) |
| Other comprehensive income | — | — | — | 1,108 | — | 1,108 |
| **BALANCE—September 30, 2024** | 90,552,687 | $ 9 | $ 693,305 | $ 789 | $ (412,900) | $ 281,203 |
| | | | | | | |
| **BALANCE—December 31, 2022** | 61,029,184 | $ 6 | $ 499,598 | $ (1,518) | $ (197,215) | $ 300,871 |
| Issuances of common stock under ESPP | 70,271 | — | 404 | — | — | 404 |
| Issuances of common stock on exercises of options | 55,433 | — | 115 | — | — | 115 |
| Issuances of common stock in connection with our ATM offering, net of offering expenses | 168,635 | — | 1,007 | — | — | 1,007 |
| Stock-based compensation expense | — | — | 3,131 | — | — | 3,131 |
| Net loss | — | — | — | — | (28,044) | (28,044) |
| Other comprehensive income | — | — | — | 788 | — | 788 |
| **BALANCE—March 31, 2023** | 61,323,523 | $ 6 | $ 504,255 | $ (730) | $ (225,259) | $ 278,272 |
| Issuances of common stock on exercises of options | 86,085 | — | 236 | — | — | 236 |
| Issuances of common stock pursuant to private placement with Pfizer | 4,690,431 | — | 17,290 | — | — | 17,290 |
| Stock-based compensation expense | — | — | 3,585 | — | — | 3,585 |
| Net loss | — | — | — | — | (29,519) | (29,519) |
| Other comprehensive loss | — | — | — | (406) | — | (406) |
| **BALANCE—June 30, 2023** | 66,100,039 | $ 6 | $ 525,366 | $ (1,136) | $ (254,778) | $ 269,458 |
| Issuances of common stock under ESPP | 68,183 | — | 382 | — | — | 382 |
| Issuances of common stock on exercises of options | 83,407 | — | 372 | — | — | 372 |
| Issuances of common stock upon vesting of RSUs | 63,596 | — | — | — | — | — |
| Issuances of common stock in connection with follow-on public offering, net of offering expenses | 22,115,384 | 2 | 134,423 | — | — | 134,425 |
| Stock-based compensation expense | — | — | 3,478 | — | — | 3,478 |
| Net loss | — | — | — | — | (10,002) | (10,002) |
| Other comprehensive income | — | — | — | 155 | — | 155 |
| **BALANCE—September 30, 2023** | 88,430,609 | $ 8 | $ 664,021 | $ (981) | $ (264,780) | $ 398,268 |

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

**CARIBOU BIOSCIENCES, INC. AND ITS SUBSIDIARIES**
**Condensed Consolidated Statements of Cash Flows**
**(Unaudited)**
**(in thousands)**

| | Nine Months Ended September 30, | |
|---|---|---|
| | **2024** | **2023** |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net loss | $ (113,615) | $ (67,565) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | 2,743 | 2,785 |
| Loss (gain) on disposal of fixed assets | 4 | (34) |
| Non-cash consideration for licensing and collaboration revenue | (1,634) | (61) |
| Change in fair value of equity securities | 116 | (3) |
| Stock-based compensation expense | 12,795 | 10,194 |
| Change in fair value of MSKCC success payments liability | (1,934) | (395) |
| Acquired in-process research and development | 1,625 | — |
| Accretion of discounts on investments in marketable securities, net | (3,708) | (6,042) |
| Non-cash lease expense | 1,690 | 1,551 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (36) | (931) |
| Contract assets | 628 | 588 |
| Other receivables | 603 | (130) |
| Prepaid expenses and other current assets | (428) | 852 |
| Other assets | (3,155) | (30) |
| Accounts payable | (125) | 1,089 |
| Accrued expenses and other current liabilities | 4,341 | 2,848 |
| Deferred revenue, current and long-term | (2,173) | (16,337) |
| Operating lease liabilities | (467) | (291) |
| Net cash used in operating activities | (102,730) | (71,912) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Proceeds from sales and maturities of marketable securities | 325,553 | 283,193 |
| Purchases of marketable securities | (248,889) | (310,566) |
| Purchases of property and equipment | (4,362) | (9,336) |
| Payments to acquire in-process research and development | (1,625) | — |
| Net cash provided by (used in) investing activities | 70,677 | (36,709) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from public follow-on public offering, net of offering expenses | — | 134,536 |
| Proceeds from issuances of common stock pursuant to private placement with Pfizer | — | 17,290 |
| Proceeds from exercises of stock options | 619 | 1,508 |
| Proceeds from issuances of common stock under ESPP | 913 | — |
| Proceeds from issuances of common stock related to our ATM, net of offering expenses | 11,329 | 1,007 |
| Net cash provided by financing activities | 12,861 | 154,341 |
| NET (DECREASE) INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH | (19,192) | 45,720 |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH — BEGINNING OF PERIOD | 51,208 | 58,384 |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH — END OF PERIOD | $ 32,016 | $ 104,104 |
| RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH | | |
| Cash and cash equivalents | $ 31,970 | $ 104,058 |
| Restricted cash | 46 | 46 |
| CASH, CASH EQUIVALENTS, AND RESTRICTED CASH ON THE BALANCE SHEET | $ 32,016 | $ 104,104 |
| SUPPLEMENTAL CASH FLOW INFORMATION: | | |
| Cash paid for income taxes | $ — | $ 170 |
| SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES: | | |
| Purchases of property and equipment included in accounts payable and accrued expenses | $ 373 | $ 556 |
| Offering costs included in accrued expenses | $ — | $ 113 |

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

**CARIBOU BIOSCIENCES, INC. AND ITS SUBSIDIARIES**
**Notes to Condensed Consolidated Financial Statements**
**(Unaudited)**

## 1. Description of the Business, Organization, and Liquidity

### *Business and Organization*

Caribou Biosciences, Inc. ("Company" or "we") is a clinical-stage **C**lustered **R**egularly **I**nterspaced **S**hort **P**alindromic **R**epeats ("CRISPR") genome-editing biopharmaceutical company dedicated to developing transformative therapies for patients with devastating diseases. Our genome-editing platform, including our novel chRDNA (**C**RISPR **h**ybrid **R**NA-**DNA**, or "chRDNA," pronounced "chardonnay") technology, enables more precise genome editing to develop cell therapies that are armored to improve activity against diseases. We are advancing a pipeline of allogeneic, or off-the-shelf, cell therapies from our chimeric antigen receptor ("CAR") T ("CAR-T") cell platform as readily available therapeutic treatments for patients.

We incorporated in October 2011 as a Delaware corporation and are headquartered in Berkeley, California. We have four wholly owned subsidiaries: Antler Holdco, LLC, incorporated in Delaware in April 2019; Microbe Holdco, LLC, incorporated in Delaware in June 2020; Arboreal Holdco, LLC, incorporated in Delaware in November 2020; and Biloba Holdco, LLC, incorporated in Delaware in April 2021. Our wholly owned subsidiaries hold interests in our equity investments and do not have operating activities.

### *Liquidity*

We have incurred operating losses and negative cash flows from operations since our inception and we had an accumulated deficit of $412.9 million as of September 30, 2024. During the nine months ended September 30, 2024, we incurred a net loss of $113.6 million and used $102.7 million of cash in operating activities. We expect to continue to incur substantial losses, and our ability to achieve and sustain profitability will depend on the successful development, regulatory approval, and commercialization of our product candidates and on our ability to generate sufficient revenue to support our cost structure. We may never achieve profitability and, unless and until we do, we will need to continue to raise additional capital. Our management expects that existing cash, cash equivalents, and marketable securities of $281.0 million as of September 30, 2024, will be sufficient to fund our current operating plan for at least the next 12 months from the date of this Quarterly Report on Form 10-Q ("Form 10-Q").

## 2. Summary of Significant Accounting Policies

There have been no changes to the significant accounting policies disclosed in Note 2 to the annual consolidated financial statements for the year ended December 31, 2023, included in our Annual Report on Form 10-K ("Form 10-K").

### *Basis of Presentation and Principles of Consolidation*

Our unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") and include our accounts and the accounts of our wholly owned subsidiaries. All intercompany accounts and transactions are eliminated in consolidation.

### *Use of Estimates*

The preparation of unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities at the date of our unaudited condensed consolidated financial statements; and the reported amounts of revenue, income, and expenses during the applicable reporting period. On an ongoing basis, we evaluate our estimates and assumptions, including those related to revenue recognition, stock-based compensation expense, accrued expenses related to research and development activities, valuation of the Memorial Sloan Kettering Cancer Center ("MSKCC") success payments liability, operating lease right-of-use assets and liabilities, and income taxes. Our management bases its estimates on historical experience and various other assumptions that they believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ materially from those estimates.

***Segments***

We operate and manage our business as one reportable operating segment, which is the business of developing a pipeline of allogeneic CAR-T cell therapies. Our president and chief executive officer, who is the chief operating decision maker, reviews financial information on an aggregate basis for allocating resources and evaluating financial performance. All long-lived assets are maintained in the United States.

***Concentrations of Credit Risk and Other Uncertainties***

Financial instruments that potentially subject us to concentration of credit risk consist of cash and cash equivalents, accounts receivable, contract assets, other receivables, and investments in marketable securities and equity securities. Substantially all our cash and cash equivalents are deposited in accounts at four financial institutions, and our account balances exceed federally insured limits. We mitigate the risks by investing in high-grade instruments, limiting our exposure to one issuer, and we monitor the ongoing creditworthiness of these financial institutions and issuers.

Licensees that represent 10% or more of our revenue and accounts receivable and contract assets were as follows:

| | Revenue | | Revenue | | Accounts Receivable and Contract Assets | |
|---|---|---|---|---|---|---|
| | Three Months Ended | | Nine Months Ended | | | |
| | September 30, 2024 | September 30, 2023 | September 30, 2024 | September 30, 2023 | As of September 30, 2024 | As of December 31, 2023 |
| Licensee A | 34.9 % | * | 24.2 % | * | 68.5 % | 47.5 % |
| Licensee B | * | 90.8 % | * | 79.1 % | * | * |
| Licensee C | 30.7 % | * | 23.6 % | * | * | * |
| Licensee D | * | * | 20.5 % | * | * | * |
| Licensee E | 14.0 % | * | * | * | * | * |
| Licensee F | 11.2 % | * | * | * | * | * |
| Licensee G | * | * | * | * | 15.9 % | * |
| Total | 90.8 % | 90.8 % | 68.3 % | 79.1 % | 84.4 % | 47.5 % |

*Less than 10%

We monitor economic conditions to identify facts or circumstances that may indicate if any of our accounts receivable are not collectible or if contract assets should be impaired. No allowance for credit losses or contract asset impairment was recorded as of September 30, 2024, or December 31, 2023.

***Recent Accounting Pronouncements Not Yet Adopted***

In October 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-06, Disclosure Improvements: Codification Amendments in Response to the SEC’s Disclosure Update and Simplification Initiative. This ASU aligns the requirements in the Accounting Standards Codification (“ASC”) to the removal of certain disclosure requirements set out in Regulation S-X and Regulation S-K, announced by the U.S. Securities and Exchange Commission (“SEC”). The effective date for each amended topic in the ASC is either the date on which the SEC’s removal of the related disclosure requirement from Regulation S-X or Regulation S-K becomes effective or June 30, 2027, if the SEC has not removed the requirements by that date. Early adoption is prohibited. We are currently evaluating the impact of the new guidance and do not expect that the adoption of ASU 2023-06 will have a material impact on our consolidated financial statements.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. This ASU requires public entities to disclose information about their reportable segments’ significant expenses and other segment items on an interim and annual basis. Public entities with a single reportable segment are required to apply the disclosure requirements in ASU 2023-07, as well as all existing segment disclosures and reconciliation requirements in ASC 280 on an interim and annual basis. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and for interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact of the adoption of ASU 2023-07.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. This ASU requires public entities, on an annual basis, to provide disclosure of specific categories in the rate

reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact of the new guidance and do not expect that the adoption of ASU 2023-09 will have a material impact on our consolidated financial statements.

In March 2024, the FASB issued ASU No. 2024-02, Codification Improvements - Amendments to Remove References to the Concepts Statements. The amendments in ASU 2024-02 clarify and simplify references to certain concept statements within U.S. GAAP. ASU 2024-02 is effective for fiscal years beginning after December 15, 2024, with early application permitted. We are currently evaluating the impact of the adoption of ASU 2024-02.

**3. Fair Value Measurements and Fair Value of Financial Instruments**

The authoritative guidance on fair value measurements establishes a three-tier fair value hierarchy for disclosure of fair value measurements as follows:

***Level 1***—Quoted prices in active markets for identical assets or liabilities.

***Level 2***—Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

***Level 3***—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Assets and liabilities measured at fair value are classified in their entireties based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires our management to make judgments and consider factors specific to the asset or liability.

Our financial instruments consist of Level 1, Level 2, and Level 3 financial instruments. We generally classify our marketable securities as Level 1 or Level 2. Instruments are classified as Level 2 when observable market prices for identical securities that are traded in less active markets are used. When observable market prices for identical securities are not available, such instruments are priced using benchmark curves, benchmarking of like securities, sector groupings, matrix pricing, and valuation models. These valuation models are proprietary to the pricing providers or brokers and incorporate a number of inputs including, in approximate order of priority: benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. For certain security types, additional inputs may be used, or some of the standard inputs may not be applicable. Evaluators may prioritize inputs differently on any given day for any security based on market conditions, and not all inputs listed are available for use in the evaluation process for each security valuation on any given day. Changes in the ability to observe valuation inputs may result in a reclassification of levels of certain securities within the fair value hierarchy. We recognize transfers into and out of levels within the fair value hierarchy in the period in which the actual event or change in circumstances that caused the transfer occurs. No such transfers occurred during the nine months ended September 30, 2024, and 2023. Level 1 financial instruments are comprised of money market fund investments and U.S. Treasury bills. Level 2 financial instruments are comprised of commercial paper, corporate debt securities, and U.S. government agency bonds. Financial assets and liabilities are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies, or similar techniques, and at least one significant model assumption or input is unobservable. Level 3 financial instruments consist of the MSKCC success payments liability.

The following table sets forth our financial instruments that were measured at fair value on a recurring basis by level within the fair value hierarchy (in thousands):

| | Fair Value Measurements as of September 30, 2024 | | | |
|---|---|---|---|---|
| | Total | Level 1 | Level 2 | Level 3 |
| Assets: | | | | |
| U.S. Treasury bills ($5,596 included in cash and cash equivalents) | $ 193,812 | $ 193,812 | $ — | $ — |
| U.S. government agency bonds ($3,973 included in cash and cash equivalents) | 31,515 | — | 31,515 | — |
| Commercial paper ($5,990 included in cash and cash equivalents) | 30,203 | — | 30,203 | — |
| Money market fund investments (included in cash and cash equivalents) | 16,411 | 16,411 | — | — |
| Corporate debt securities | 9,074 | — | 9,074 | — |
| Total fair value of assets | $ 281,015 | $ 210,223 | $ 70,792 | $ — |
| Liabilities: | | | | |
| MSKCC success payments liability | $ 1,005 | $ — | $ — | $ 1,005 |
| Total fair value of liabilities | $ 1,005 | $ — | $ — | $ 1,005 |

| | Fair Value Measurements as of December 31, 2023 | | | |
|---|---|---|---|---|
| | Total | Level 1 | Level 2 | Level 3 |
| Assets: | | | | |
| U.S. Treasury bills ($23,527 included in cash and cash equivalents) | $ 262,439 | $ 262,439 | $ — | $ — |
| Commercial paper ($9,759 included in cash and cash equivalents) | 40,373 | — | 40,373 | — |
| U.S. government agency bonds | 40,185 | — | 40,185 | — |
| Money market fund investments (included in cash and cash equivalents) | 17,876 | 17,876 | — | — |
| Corporate debt securities | 11,531 | — | 11,531 | — |
| Total fair value of assets | $ 372,404 | $ 280,315 | $ 92,089 | $ — |
| Liabilities: | | | | |
| MSKCC success payments liability | $ 2,939 | $ — | $ — | $ 2,939 |
| Total fair value of liabilities | $ 2,939 | $ — | $ — | $ 2,939 |

The fair value and amortized cost of cash equivalents and available-for-sale marketable securities by major security type as of September 30, 2024, and December 31, 2023, are presented in the following tables (in thousands):

| | As of September 30, 2024 | | | |
|---|---|---|---|---|
| | Amortized Cost Basis | Unrealized Gains | Unrealized Losses | Estimated Fair Value |
| U.S. Treasury bills ($5,596 included in cash and cash equivalents) | $ 193,198 | $ 617 | $ (3) | $ 193,812 |
| U.S. government agency bonds ($3,973 included in cash and cash equivalents) | 31,380 | 136 | (1) | 31,515 |
| Commercial paper ($5,990 included in cash and cash equivalents) | 30,173 | 32 | (2) | 30,203 |
| Money market fund investments (included in cash equivalents) | 16,411 | — | — | 16,411 |
| Corporate debt securities | 9,064 | 10 | — | 9,074 |
| Total cash equivalents and marketable securities | $ 280,226 | $ 795 | $ (6) | $ 281,015 |

| | |
|---|---|
| Classified as: | |
| Cash and cash equivalents | $ 31,970 |
| Marketable securities, short-term | 196,208 |
| Marketable securities, long-term | 52,837 |
| Total cash equivalents and marketable securities | $ 281,015 |

| | As of December 31, 2023 | | | |
|---|---|---|---|---|
| | Amortized Cost Basis | Unrealized Gains | Unrealized Losses | Estimated Fair Value |
| U.S. Treasury bills ($23,527 included in cash and cash equivalents) | $ 262,328 | $ 331 | $ (220) | $ 262,439 |
| Commercial paper ($9,759 included in cash and cash equivalents) | 40,386 | — | (13) | 40,373 |
| U.S. government agency bonds | 40,295 | 1 | (111) | 40,185 |
| Money market fund investments (included in cash equivalents) | 17,876 | — | — | 17,876 |
| Corporate debt securities | 11,489 | 50 | (8) | 11,531 |
| Total cash equivalents and marketable securities | $ 372,374 | $ 382 | $ (352) | $ 372,404 |

| | |
|---|---|
| Classified as: | |
| Cash and cash equivalents | $ 51,162 |
| Marketable securities, short-term | 277,665 |
| Marketable securities, long-term | 43,577 |
| Total cash equivalents and marketable securities | $ 372,404 |

The following table presents the fair value of available-for-sale marketable securities by contractual maturities (in thousands):

| | September 30, 2024 |
|---|---|
| Due in less than one year | $ 196,208 |
| Due in one to five years | 52,837 |
| Total | $ 249,045 |

The following table sets forth a summary of the changes in the fair value of our Level 3 financial liability (in thousands):

| | MSKCC Success Payments Liability |
|---|---|
| Balance at December 31, 2023 | $ 2,939 |
| Change in fair value | (1,934) |
| Balance at September 30, 2024 | $ 1,005 |

Our liability for the MSKCC success payments is carried at fair value and changes are recognized as expense or income as part of other income until the success payments liability is paid or expires. We recorded a $0.2 million and $0.1 million change in the fair value of the MSKCC success payments liability as a loss in other income in our unaudited condensed consolidated statements of operations and comprehensive loss for the three months ended September 30, 2024, and 2023, respectively. We recorded a $1.9 million and $0.4 million change in the fair value of the MSKCC success payments liability as a gain in other income in our unaudited condensed consolidated statements of operations and comprehensive loss for the nine months ended September 30, 2024, and 2023, respectively.

The table below summarizes key assumptions used in the valuation of the MSKCC success payments liability:

| | As of December 31, 2023 |
|---|---|
| Fair value of common stock | $ 5.73 |
| Risk-free interest rate | 3.88% |
| Expected volatility | 79% |
| Probability of achieving multiple of Initial Share Price[(1)] | 5.2% to 18.1% |
| Expected term (years) | 3.7 to 5.2 |

[(1)]MSKCC is entitled to certain success payments if our common stock fair value increases, during a specified time period, by certain multiples of value based on a comparison of the fair market value of our common stock to $5.1914 per share, adjusted for any future stock splits ("Initial Share Price"). For further information regarding our agreement with MSKCC, see Note 4 to the consolidated financial statements included in our Form 10-K.

The computation of expected volatility was estimated using a combination of available information about the historical volatility of stocks of similar publicly traded companies for a period matching the expected term assumption and the historical and implied volatility of our stock. The risk-free interest rate, expected volatility, and expected term assumptions depend on the time period from the initiation of our AMpLify phase 1 clinical trial for our CB-012 product candidate utilizing the know-how, biological materials, and intellectual property licensed under the Exclusive License Agreement, dated November 13, 2020, with MSKCC ("MSKCC Agreement") until the estimated timing of marketing approval for this product candidate from the U.S. Food and Drug Administration ("FDA"). In addition, we incorporated the estimated number and timing of valuation measurement dates in the calculation of the MSKCC success payments liability.

As of September 30, 2024, we did not note any significant changes to the inputs used in the MSKCC success payments liability fair value calculation, other than a change in the fair value of our common stock to $1.96 per share.

**4. Significant Agreements**

Since December 31, 2023, there have been no material changes to the key terms of our significant agreements. For further information regarding our significant agreements, see Note 4 to the consolidated financial statements included in our Form 10-K.

During the three months ended September 30, 2023, we recognized $21.5 million in revenue associated with the now-terminated Collaboration and License Agreement, dated February 9, 2021 (as amended, "AbbVie Agreement") with AbbVie Manufacturing Management Unlimited Company ("AbbVie"). During the nine months ended September 30, 2023, we recognized $24.5 million in revenue under the AbbVie Agreement. No revenue was recognized under the AbbVie Agreement during each of the three- and nine-month periods ended September 30, 2024, as the AbbVie Agreement was terminated effective October 25, 2023. As of September 30, 2024, and December 31, 2023, we had no amounts recorded in

accounts receivable, contract assets, or deferred revenue in our consolidated balance sheets related to the AbbVie Agreement.

Our significant agreements may include nonrefundable, upfront payments; annual license maintenance fees; sublicensing fees; obligations to reimburse for patent prosecution and maintenance fees; success payments; regulatory clinical and commercial milestones; and royalty payments. Our obligation to make such payments is contingent upon milestones being achieved, licensed products being commercialized, and the agreements remaining in effect.

For the three months ended September 30, 2024, and 2023, we recorded $0.2 million and $0.4 million, respectively, as research and development expense in our unaudited condensed consolidated statements of operations and comprehensive loss related to our license agreements. For the nine months ended September 30, 2024, and 2023, we recorded $1.8 million and $1.2 million, respectively, as research and development expense in our unaudited condensed consolidated statements of operations and comprehensive loss related to our significant agreements. For the three months ended September 30, 2024, and 2023, we recorded $0.1 million and $0.4 million, respectively, as general and administrative expense for patent prosecution and maintenance costs in our unaudited condensed consolidated statements of operations and comprehensive loss, which includes reimbursements of patent prosecution and maintenance costs of $0.4 million and $0.1 million, respectively. For the nine months ended September 30, 2024, and 2023, we recorded $0.5 million and $2.2 million, respectively, as general and administrative expense for patent prosecution and maintenance costs in our unaudited condensed consolidated statements of operations and comprehensive loss, which includes reimbursements of patent prosecution and maintenance costs of $0.9 million and $1.3 million, respectively.

As of September 30, 2024, certain license and assignment agreements included potential future payments from us for development, regulatory, and sales milestones totaling approximately $159.9 million.

**5. Revenue**

***Disaggregation of Revenue***

We disaggregate revenue by geographical market based on the location of research and development activities of our licensees and collaborators. The following table is a summary of revenue by geographic location for the three and nine months ended September 30, 2024, and 2023 (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| United States | $ 1,657 | $ 23,285 | $ 7,370 | $ 30,416 |
| Rest of world | 367 | 377 | 547 | 503 |
| Total | $ 2,024 | $ 23,662 | $ 7,917 | $ 30,919 |

During the three months ended September 30, 2024, we recognized $1.4 million of revenue related to performance obligations satisfied at a point in time, and we recognized $0.6 million of revenue related to performance obligations satisfied over time.

During the three months ended September 30, 2023, we recognized $1.6 million of revenue related to performance obligations satisfied at a point in time, and we recognized $22.1 million of revenue related to performance obligations satisfied over time that included $21.5 million in licensing and collaboration revenue associated with the now-terminated AbbVie Agreement.

During the nine months ended September 30, 2024, we recognized $6.0 million of revenue related to performance obligations satisfied at a point in time, and we recognized $1.9 million of revenue related to performance obligations satisfied over time.

During the nine months ended September 30, 2023, we recognized $5.8 million of revenue related to performance obligations satisfied at a point in time, and we recognized $25.1 million of revenue related to performance obligations satisfied over time which included $24.5 million in licensing and collaboration revenue associated with the now-terminated AbbVie Agreement.

***Contract Balances***

Accounts receivable relate to our right to consideration for performance obligations completed (or partially completed) for which we have an unconditional right to consideration. Our accounts receivable balances represent amounts that we billed to our licensees with invoices outstanding as of the end of a reporting period.

Contract assets are rights to consideration in exchange for a license that we have granted to a licensee when the right is conditional on something other than the passage of time. Our contract asset balances represent royalties and milestone payments from our other license agreements that are unbilled as of the end of a reporting period.

Contract liabilities consist of deferred revenue and relate to amounts invoiced to, or advance consideration received from, licensees that precede our satisfaction of the associated performance obligations. As of September 30, 2024, and December 31, 2023, our deferred revenue balance primarily resulted from the upfront payment received relating to our performance obligation to Pfizer Inc. ("Pfizer"). The remaining deferred revenue relates to upfront payments received under license agreements that also include nonrefundable annual license fees, which are accounted for as material rights for license renewals and are recognized at the point in time when annual license fees are paid by the licensees and the renewal periods begin.

The following table presents changes in our contract assets and liabilities during the nine months ended September 30, 2024 (in thousands):

| | Balance as of December 31, 2023 | Additions | Deductions | Balance as of September 30, 2024 |
|---|---|---|---|---|
| Accounts receivable | $ 148 | $ 4,757 | $ (4,721) | $ 184 |
| Contract assets: | | | | |
| Unbilled accounts receivable | $ 1,425 | $ 2,663 | $ (3,290) | $ 798 |
| Contract liabilities: | | | | |
| Deferred revenue, current and long-term | $ 8,949 | $ 1,250 | $ (3,423) | $ 6,776 |

During the nine months ended September 30, 2024, and 2023, we recognized $2.2 million and $23.2 million of revenue, respectively, which was included in the opening contract liabilities balances at the beginning of the respective periods.

***Transaction Prices Allocated to Remaining Performance Obligations***

Remaining performance obligations represent in aggregate the amount of a transaction price that has been allocated to performance obligations not delivered as of the end of a reporting period. The value of transaction prices allocated to remaining unsatisfied performance obligations as of September 30, 2024, was approximately $6.8 million. We expect to recognize approximately $2.8 million of remaining performance obligations as revenue in the next 12 months and to recognize the remainder thereafter.

***Capitalized Contract Acquisition Costs and Fulfillment Costs***

We did not incur any expenses to obtain our existing contracts, and costs to fulfill those contracts do not generate or enhance our resources. As such, no costs to obtain or fulfill a contract have been capitalized in any period.

**6. Balance Sheet Items**

Other receivables consisted of the following (in thousands):

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Patent cost reimbursements | $ 936 | $ 1,403 |
| Accrued interest on marketable securities | 747 | 702 |
| Other | — | 181 |
| Total | $ 1,683 | $ 2,286 |

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

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Prepaid contract manufacturing and clinical costs | $ 3,279 | $ 3,942 |
| Prepaid insurance | 1,100 | 993 |
| Other | 2,204 | 1,220 |
| Total | $ 6,583 | $ 6,155 |

Property and equipment, net, consisted of the following (in thousands):

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Lab equipment | $ 18,276 | $ 15,581 |
| Leasehold improvements | 11,493 | 2,235 |
| Computer equipment | 906 | 895 |
| Furniture and equipment | 697 | 499 |
| Construction in progress | — | 8,204 |
| Total property and equipment, gross | 31,372 | 27,414 |
| Less: accumulated depreciation and amortization | (11,807) | (9,144) |
| Property and equipment, net | $ 19,565 | $ 18,270 |

Depreciation and amortization expenses related to property and equipment were $1.1 million and $1.6 million for the three months ended September 30, 2024, and 2023, respectively. Depreciation and amortization expenses related to property and equipment were $2.7 million and $2.8 million, for the nine months ended September 30, 2024, and 2023, respectively.

Accrued expenses and other current liabilities consisted of the following (in thousands):

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Accrued research and development expenses | $ 12,150 | $ 8,720 |
| Accrued employee compensation and related expenses | 7,087 | 9,517 |
| Accrued securities litigation settlement | 3,900 | — |
| Accrued patent expenses | 839 | 613 |
| Accrued expenses related to sublicensing revenues | 483 | 802 |
| Credit card liability | 16 | 377 |
| Other | 973 | 1,106 |
| Total | $ 25,448 | $ 21,135 |

## 7. Related Party Transactions

Since December 31, 2023, there have been no new related party transactions, except as set forth below. For further information regarding our related parties, see Note 7 to the consolidated financial statements included in our Form 10-K.

***Pfizer Investment***

During the three months ended September 30, 2024, we recognized $0.6 million of revenue from our Information Rights Agreement with Pfizer, dated June 29, 2023, pursuant to which we had originally allocated $7.5 million as a contract with a customer under ASC Topic 606. During the nine months ended September 30, 2024, we recognized $1.9 million of revenue from Pfizer. During each of the three- and nine-month periods ended September 30, 2023, we recognized $0.6 million of revenue from Pfizer. As of September 30, 2024, there was approximately $4.4 million of related party deferred revenue ($2.5 million included in current liabilities and $1.9 million included in long-term liabilities) related to our performance obligation to Pfizer. As of December 31, 2023, there was approximately $6.2 million of related party deferred revenue ($2.5 million included in current liabilities and $3.7 million included in long-term liabilities) related to our performance obligation to Pfizer.

***Edge Animal Health***

In June 2024, we received additional shares of convertible preferred stock pursuant to anti-dilution rights associated with the Exclusive License Agreement for Veterinary Therapeutics (as amended, "Edge chRDNA License Agreement") with Edge Animal Health ("Edge"), a private company and related party. Edge issued 1,623,275 shares of convertible preferred stock to us with an estimated fair value of $1.6 million, based on management's best estimate and judgment. The Edge chRDNA License Agreement is a contract with a customer under ASC 606. We did not recognize any revenue in connection with the Edge chRDNA License Agreement during the three months ended September 30, 2024. We recognized $1.6 million as revenue during the nine months ended September 30, 2024. We did not recognize any revenue in connection with the Edge chRDNA License Agreement in 2023.

On May 16, 2023, we entered into an Exclusive License Agreement for Veterinary Therapeutics (CRISPR-Cas9) ("Edge Cas9 License Agreement"), under which we granted Edge an exclusive worldwide license to certain CRISPR-Cas9 intellectual property rights in the field of veterinary therapeutics. Previously, on May 15, 2020, we entered into an Option for an Exclusive License under which Edge could exercise its option within three years upon payment of a total of $1.2 million, which option Edge exercised and paid $1.2 million, and we entered into the Edge Cas9 License Agreement. We did not recognize any revenue in connection with the Edge Cas9 License Agreement in 2024. We did not recognize any revenue in connection with the Edge Cas9 License Agreement during the three months ended September 30, 2023. We recognized $1.2 million of revenue in connection with the Edge Cas9 License Agreement during the nine months ended September 30, 2023.

## 8. Leases

***Operating Lease Obligations***

As of September 30, 2024, we had operating leases for our laboratory and office spaces in Berkeley, California, consisting of approximately 75,000 square feet, with remaining lease terms up to 7.8 years. Certain of our laboratory and office space lease agreements include options to extend the terms for a period of five years and also contain provisions for future rent increases. In addition to base rent, we pay our share of operating expenses and taxes.

The components of lease costs, which are included in our unaudited condensed consolidated statements of operations and comprehensive loss, were as follows (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Operating lease cost[(1)] | $ 1,950 | $ 1,937 | $ 5,822 | $ 5,749 |
| Short-term lease cost | 63 | 63 | 188 | 188 |
| Total lease cost | $ 2,013 | $ 2,000 | $ 6,010 | $ 5,937 |

[(1)]Includes $0.7 million of variable lease cost related to operating expenses and taxes for each of the three- month periods ended September 30, 2024, and September 30, 2023. Includes $2.0 million and $1.9 million of variable lease cost related to operating expenses and taxes for the nine months ended September 30, 2024, and 2023, respectively.

Supplemental information related to our leases was as follows (in thousands):

| | Nine Months Ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Cash paid for amounts included in the measurement of lease liabilities: | | |
| Operating cash flows from operating leases | $ 2,624 | $ 2,597 |

The following table summarizes the weighted-average remaining lease term and weighted-average discount rate for our corporate laboratory and office leases:

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Weighted-average remaining lease term (years) | 6.7 | 7.4 |
| Weighted-average discount rate | 11.3 % | 11.3 % |

The following table summarizes a maturity analysis of our operating lease liabilities showing the aggregate lease payments as of September 30, 2024 (in thousands):

| | |
|---|---|
| Remainder of 2024[(1)] | $ 797 |
| 2025 | 4,411 |
| 2026 | 5,720 |
| 2027 | 5,922 |
| 2028 | 6,122 |
| Thereafter | 15,993 |
| Total future undiscounted lease payments | 38,965 |
| Less imputed interest | (12,324) |
| Total discounted lease payments | 26,641 |
| Less current portion of lease liability | (1,178) |
| Noncurrent portion of lease liability | $ 25,463 |

[(1)]Reflects an offset of $0.3 million related to incentives expected to be received in 2024.

**9. Commitments and Contingencies**

***Research, Manufacturing, and License Agreements***

We enter into various agreements in the ordinary course of business, such as those with contract manufacturing organizations ("CMOs"), suppliers, clinical research organizations ("CROs"), clinical trial sites, licensors, assignors, and the like. These agreements provide for termination by either party in certain circumstances, generally with less than one-year notice and are, therefore, cancellable contracts and, if cancelled, are not anticipated to have a material effect on our unaudited condensed consolidated financial condition, results of operations, or cash flows.

Some of these agreements also include contingent payments that will become payable if and when certain development, regulatory, clinical, and/or commercial milestones are achieved by us. As of September 30, 2024, satisfaction and timing of such contingent payments are uncertain and thus cannot be reasonably estimated.

***Guarantees and Indemnifications***

In the ordinary course of business, we enter into agreements that contain a variety of representations and warranties and provide for certain indemnifications by us. Our exposure under these agreements is unknown because claims may be made against us in the future. As of September 30, 2024, and December 31, 2023, we did not have any material indemnification claims that were probable or reasonably possible, and consequently, we have not recorded related liabilities.

***Litigation***

From time to time, we may become involved in litigation arising in the ordinary course of business. We record a liability for such litigation when it is probable that future losses will be incurred and if such losses can be reasonably estimated. Significant judgment by us is required to determine both probability and the estimated amount.

On April 11, 2023, a putative class action lawsuit was filed in the U.S. District Court for the Northern District of California against our company and certain of our officers and current and former members of our board of directors, *Bergman v. Caribou Biosciences, Inc., et al.*, Case Number 23-cv-01742 ("Bergman Case"). The Bergman complaint challenged disclosures regarding our company's business, operations, and prospects, specifically with respect to the alleged durability of CB-010's therapeutic effect and the product candidate's clinical and commercial prospects, in alleged violation of Sections 11 and 15 of the Securities Act of 1933, as amended ("Securities Act"), and Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended ("Exchange Act"). On September 18, 2023, plaintiffs filed an amended complaint adding the initial public offering ("IPO") underwriters as defendants and making substantially the same allegations as the original complaint. On November 14, 2023, we filed a motion to dismiss the amended complaint for failure to state a claim. Motion to dismiss briefing was completed on February 21, 2024. On April 22, 2024, we reached an agreement in principle with plaintiffs to settle the Bergman Case for $3.9 million, which was included in general and administrative expense for the three months ended March 31, 2024, in exchange for a full release of the putative class's claims against us and all our current and former officers, current and former members of our board of directors, the IPO underwriters, and the other named defendant. The parties filed a settlement agreement with the court on June 26, 2024, and, on October 15, 2024, the court issued an order preliminarily approving the settlement and setting a final settlement approval hearing for February 18, 2025.

**10. Common Stock**

Common stock reserved for future issuances consisted of the following:

| | As of September 30, 2024 | As of December 31, 2023 |
|---|---|---|
| Stock options, issued and outstanding | 11,611,364 | 9,410,404 |
| Stock options, authorized for future issuances | 6,827,620 | 5,952,012 |
| Stock available under ESPP | 2,139,666 | 1,516,355 |
| Unvested RSUs and PSUs | 1,302,846 | 205,357 |
| Total common stock reserved for future issuances | 21,881,496 | 17,084,128 |

***Shelf Registration Statement***

On August 9, 2022, we filed a shelf registration statement on Form S-3 ("Shelf Registration Statement") with the SEC. The Shelf Registration Statement allows us to sell from time to time up to $400.0 million of common stock, preferred stock, debt securities, warrants, rights, or units comprised of any combination of these securities, for our own account in one or more offerings (including the $100.0 million of common stock reserved for our at-the-market equity offering program). The SEC declared the Shelf Registration Statement effective on August 16, 2022. The terms of any offering under the Shelf Registration Statement will be established at the time of such offering, as described in a prospectus supplement to the Shelf Registration Statement to be filed with the SEC prior to the completion of any such offering.

In July and August 2023, we issued and sold a total of 22,115,384 shares of our common stock in an underwritten follow-on public offering at a price to the public of $6.50 per share, which included the full exercise of the underwriters' right to purchase 2,884,615 additional shares of our common stock. The total gross proceeds from the offering were approximately $143.7 million ($134.4 million net of underwriting discounts and commissions and offering expenses). The shares were issued pursuant to the Shelf Registration Statement.

***At-the-market Equity Offering Program***

On August 9, 2022, we entered into an at-the-market Open Market Sale Agreement℠ ("ATM Sales Agreement") with Jefferies LLC ("Jefferies"), pursuant to which, through Jefferies as sales agent, we may from time to time, sell shares of our common stock having an aggregate offering price of up to $100.0 million in gross proceeds under the Shelf Registration Statement. As of September 30, 2024, we have sold 1,762,806 shares of our common stock under the ATM Sales Agreement, at an average price per share of $7.32 for aggregate gross proceeds of $12.9 million ($12.3 million net of offering expenses).

**11. Stock-Based Compensation**

***Equity Incentive Plans***

In July 2021, our board of directors adopted, and our stockholders approved, the 2021 Equity Incentive Plan ("2021 Plan") that became effective on July 22, 2021. As of September 30, 2024, we had 6,827,620 shares available for issuance under the 2021 Plan.

The following table summarizes stock option activity under our equity incentive plans during the nine months ended September 30, 2024:

| | Stock Options | Weighted-Average Exercise Price | Weighted-Average Remaining Contractual Term (years) | Aggregate Intrinsic Value (in thousands)[1] |
|---|---|---|---|---|
| Outstanding at December 31, 2023 | 9,410,404 | $ 8.03 | 8.0 | $ 6,432 |
| Options granted | 3,528,702 | 5.97 | | |
| Options exercised | (182,217) | 3.39 | | |
| Options cancelled or forfeited | (1,145,525) | 8.35 | | |
| Outstanding at September 30, 2024 | 11,611,364 | $ 7.44 | 7.4 | $ 41 |
| Exercisable at September 30, 2024 | 5,810,961 | $ 8.03 | 6.1 | $ 41 |
| Vested and expected to vest at September 30, 2024 | 11,611,364 | $ 7.44 | 7.4 | $ 41 |

[1]The aggregate intrinsic value is calculated as the difference between the stock option exercise price and the estimated fair value of the underlying common stock at the end of each reporting period referenced above.

***Grant Date Fair Value***

During the three months ended September 30, 2024, and 2023, we granted 391,525 and 384,095 stock options to employees with a weighted average grant date fair value of $1.49 and $3.64, respectively. During the nine months ended September 30, 2024, and 2023, we granted 3,528,702 and 3,406,801 stock options to employees with a weighted average grant date fair value of $4.09 and $3.91, respectively.

We estimated the fair value of each employee stock option award on the grant date using the Black-Scholes option-pricing model based on the following assumptions:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Volatility | 75.8% | 74.2% to 74.6% | 75.7% to 75.9% | 74.2% to 75.0% |
| Expected term (in years) | 6.0 | 6.0 | 5.0 to 6.0 | 5.0 to 6.0 |
| Risk-free interest rate | 3.7% to 3.8% | 4.1% to 4.6% | 3.7% to 4.5% | 3.5% to 4.6% |
| Expected dividend yield | 0.0% | 0.0% | 0.0% | 0.0% |

As of September 30, 2024, there was $24.5 million of unrecognized stock-based compensation expense related to employee stock options that is expected to be recognized over a weighted-average period of 2.6 years.

***Restricted Stock Units***

During the nine months ended September 30, 2024, we granted 1,342,842 restricted stock units ("RSUs") to employees, and we did not grant any performance-based RSUs ("PSUs") to employees under the 2021 Plan. A summary of the status of and change in unvested RSUs and PSUs as of September 30, 2024, was as follows:

| | Number of Shares Underlying Outstanding RSUs and PSUs | Weighted-Average Grant Date Fair Value per RSU and PSU |
|---|---|---|
| Unvested, January 1, 2024 | 205,357 | $ 8.49 |
| Granted | 1,342,842 | 5.71 |
| Vested | (66,173) | 10.07 |
| Forfeited | (179,180) | 7.17 |
| Unvested, September 30, 2024 | 1,302,846 | $ 5.73 |

On August 22, 2022, we granted PSUs to our executive officers, which will vest contingent upon the achievement of a clinical milestone for CB-010 during a performance period ending December 31, 2024, and the executive officer's continued employment during the performance period. As of September 30, 2024, the achievement of this milestone was not considered probable and, therefore, no stock-based compensation was recorded.

As of September 30, 2024, the total unrecognized stock-based compensation expense related to unvested RSUs was $5.7 million, which is expected to be recognized over the remaining weighted-average vesting period of 2.9 years. As of September 30, 2024, there was approximately $0.4 million of unrecognized stock-based compensation expense related to unvested PSUs.

***Employee Stock Purchase Plan ("ESPP")***

In July 2021, our board of directors adopted, and our stockholders approved, the ESPP, which became effective on July 22, 2021. We issued 468,745 shares of common stock under the ESPP as of September 30, 2024. We recorded $0.1 million in accrued liabilities related to contributions withheld as of September 30, 2024.

***Stock-Based Compensation Expense***

We recorded stock-based compensation expense related to employee equity-based awards grants in our unaudited condensed consolidated statements of operations and comprehensive loss as follows (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Research and development | $ 1,638 | $ 1,464 | $ 5,248 | $ 4,324 |
| General and administrative | 2,431 | 2,014 | 7,547 | 5,870 |
| Total | $ 4,069 | $ 3,478 | $ 12,795 | $ 10,194 |

The above stock-based compensation expense related to the following equity-based awards (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Stock options | $ 3,530 | $ 3,188 | $ 10,909 | $ 9,188 |
| ESPP | 80 | 96 | 309 | 427 |
| RSUs | 459 | 194 | 1,577 | 579 |
| Total | $ 4,069 | $ 3,478 | $ 12,795 | $ 10,194 |

**12. 401(k) Savings Plan**

In 2017, we established a defined-contribution savings plan under Section 401(k) of the Internal Revenue Code of 1986, as amended ("Tax Code"). Our 401(k) plan is available to all employees and allows participants to defer a portion of

their annual compensation on a pretax basis subject to applicable laws. We also provide a 4% match for employee contributions up to a certain limit. During the nine months ended September 30, 2024, and 2023, we contributed $0.9 million and $0.8 million, respectively, to our 401(k) plan.

**13. Income Taxes**

No income tax expense was recorded during each of the three- and nine-month periods ended September 30, 2024, and 2023 due to our operating losses.

**14. Net Loss Per Share**

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

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Numerator: | | | | |
| Net loss | $ (34,684) | $ (10,002) | $ (113,615) | $ (67,565) |
| Denominator: | | | | |
| Weighted-average common shares outstanding used to compute net loss per share, basic and diluted | 90,455,900 | 83,783,992 | 90,034,799 | 68,878,921 |
| Net loss per share, basic and diluted | $ (0.38) | $ (0.12) | $ (1.26) | $ (0.98) |

Because we were in a net loss position for all periods presented, basic net loss per share is the same as diluted net loss per share for all periods, as the inclusion of all common stock equivalents outstanding would have been anti-dilutive. Potentially dilutive securities that were not included in the diluted per share calculations because they would be anti-dilutive were as follows:

| | As of September 30, 2024 | As of September 30, 2023 |
|---|---|---|
| Stock options outstanding | 11,611,364 | 9,523,394 |
| RSUs issued and outstanding | 1,259,377 | 168,438 |
| Shares committed under ESPP | 304,434 | 134,276 |
| | 13,175,175 | 9,826,108 |

**15. Restructuring Charge**

On July 16, 2024, we announced that we had discontinued preclinical research activities associated with our allogeneic CAR-NK platform and reduced our workforce by 21 positions, or approximately 12%. The workforce reduction was completed during the third quarter of 2024. As a result, we recorded a total of $0.6 million in non-recurring restructuring charges during the three months ended September 30, 2024, consisting primarily of cash severance costs, continuation of benefits, and transition support services for impacted employees.

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

*You should read the following discussion and analysis of our financial condition and results of operations together with our unaudited condensed consolidated financial statements and the related notes included in Part I, Item 1, of this Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2024 ("Form 10-Q") and with the audited consolidated financial statements and the related notes for the fiscal year ended December 31, 2023 included in our Annual Report on Form 10-K ("Form 10-K") filed with the U.S. Securities and Exchange Commission ("SEC") on March 11, 2024.*

**Special Note Regarding Forward-Looking Statements**

*This Form 10-Q contains "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"). All statements, other than statements of historical facts, contained in this Form 10-Q are forward-looking statements, including statements regarding our business strategy, plans, and objectives; expectations regarding our clinical and preclinical development programs, including our expectations about the timing of such programs; the expected timing of disclosure of clinical data from such programs; the safety, efficacy, and potential advantages of our product candidates; future regulatory filings and interactions with regulatory authorities; our results of operations and financial position; and plans and objectives of management for future operations. 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, although not all forward-looking statements contain these words.*

*As a result of many factors, including but not limited to risks related to our limited operating history, history of net operating losses, financial position and our ability to raise additional capital as needed to fund our operations and product candidate development; risks inherent in the development of cell therapy products; risks associated with the initiation, cost, timing, progress, and results of current and future research and development programs, preclinical studies, and clinical trials; the risk that initial, preliminary, or interim clinical trial data will not ultimately be predictive of the safety and efficacy of our product candidates or that clinical outcomes may differ as patient enrollment continues and as more clinical data becomes available or different conclusions or considerations are reached once additional data have been received and fully evaluated; the risk that preclinical study results will not be borne out in human patients; risks related to our ability to obtain and maintain regulatory approval for our product candidates; risks that our product candidates, if approved, may not gain market acceptance due to negative public opinion and increased regulatory scrutiny of cell therapies involving genome editing; risks related to our ability to meet future regulatory standards with respect to our products; risks related to our ability to establish and/or maintain intellectual property rights covering our product candidates and genome-editing technology; risks of third parties asserting that our product candidates infringe their patents; risks related to developments of our competitors and our industry; risks related to our reliance on third parties to conduct our clinical trials and manufacture our product candidates; risks caused by public health crises or geopolitical events on our business and operations; and other risks described in greater detail in the section of our Form 10-K titled "Risk Factors," and in other filings we make with the SEC, the events and circumstances reflected in our forward-looking statements may not be achieved or may not occur, and actual results could differ materially from those described in or implied by the forward-looking statements. As a result of these risks, you should not place undue reliance on these forward-looking statements. We assume no obligation to revise or update any forward-looking statements for any reason, except as required by law.*

**Overview**

We are a clinical-stage **C**lustered **R**egularly **I**nterspaced **S**hort **P**alindromic **R**epeats ("CRISPR") genome-editing biopharmaceutical company dedicated to developing transformative therapies for patients with devastating diseases. Our genome-editing platform, including our novel chRDNA (**C**RISPR **h**ybrid **R**NA-**DNA**, or "chRDNA," pronounced "chardonnay") technology, enables more precise genome editing to develop cell therapies that are armored to improve activity against diseases. We are advancing a pipeline of allogeneic, or off-the-shelf, cell therapies from our chimeric antigen receptor ("CAR") T ("CAR-T") cell platform as readily available therapeutic treatments for patients.

We are currently focused on advancing our allogeneic cell therapies for the treatment of hematologic malignancies and autoimmune diseases. Our therapies are directed at established cell surface targets for which autologous CAR-T cell therapeutics have already demonstrated clinical proof of concept, including CD19 and B cell maturation antigen ("BCMA"), as well as other targets such as C-type lectin-like molecule-1 ("CLL-1," also known as CD371). We use our

chRDNA technologies to armor our cell therapies through multiple genome-editing strategies, such as checkpoint disruption, immune cloaking, or a combination of these two strategies, to enhance activity against devastating diseases.

Our lead product candidate, CB-010, is an allogeneic anti-CD19 CAR-T cell therapy that is being evaluated in patients with relapsed or refractory large B cell non-Hodgkin lymphoma ("r/r B-NHL") in our ongoing ANTLER phase 1 clinical trial. To our knowledge, CB-010 is the first clinical-stage allogeneic anti-CD19 CAR-T cell therapy with programmed cell death protein 1 ("PD-1") removed from the CAR-T cell surface by a genome-edited knockout of the *PDCD1* gene.

In our ANTLER phase 1 clinical trial, 16 patients with multiple subtypes of aggressive r/r B-NHL were enrolled in the dose escalation portion of the clinical trial, and three dose levels of CB-010 were evaluated: dose level 1 ($40x10^6$ viable CAR-T cells, n=8), dose level 2 ($80x10^6$ viable CAR-T cells, n=5), and dose level 3 ($120x10^6$ viable CAR-T cells, n=3). Following the conclusion of the dose escalation portion of our ANTLER clinical trial, we began enrolling second-line ("2L") large B cell lymphoma ("LBCL") patients in the dose expansion phase of our ANTLER clinical trial, which is still ongoing. Dose level 2 ($80x10^6$ viable CAR-T cells) was selected as the recommended phase 2 dose ("RP2D"). In early June 2024, we presented safety, efficacy, and translational data for the first 46 patients evaluated in our ANTLER phase 1 clinical trial during a poster presentation at the 2024 American Society of Clinical Oncology ("ASCO") Annual Meeting. CB-010 was generally well-tolerated with adverse events as expected for anti-CD19 CAR-T cell therapies. A retrospective analysis of the ANTLER clinical trial data showed that patients who received a dose of CB-010 manufactured from a healthy donor who shared four or more matching human leukocyte antigen ("HLA") alleles with the patient (referred to as "partial HLA matching") demonstrated the potential for improved efficacy. Based on these data, we have begun dosing a cohort of approximately 20 2L LBCL patients to prospectively evaluate whether partial HLA matching improves patient outcomes. In addition, we are enrolling approximately 10 patients who have relapsed following any prior CD19-targeted therapy in a proof-of-concept cohort, which will also incorporate partial HLA matching. We plan to report initial data from both cohorts in the first half of 2025. Upon confirmation of improved outcomes in 2L LBCL patients receiving a partially HLA matched dose of CB-010, we expect to initiate a pivotal phase 3 clinical trial in the second half of 2025, following agreement with the U.S. Food and Drug Administration ("FDA") on a pivotal trial design. CB-010 received regenerative medicine advanced therapy ("RMAT") designation for relapsed or refractory LBCL, fast track designation for r/r B-NHL, and orphan drug designation for follicular lymphoma ("FL") from the FDA.

We are expanding our clinical development of CB-010 to include autoimmune diseases, and we plan to evaluate CB-010 in our multicenter, open label, GALLOP phase 1 clinical trial in adult patients with lupus nephritis ("LN") and extrarenal lupus ("ERL"), which will incorporate partial HLA matching. We expect to initiate our GALLOP clinical trial by year-end 2024. CB-010 received fast track designation for refractory systemic lupus erythematosus ("SLE") from the FDA.

Our second product candidate, CB-011, is an allogeneic CAR-T cell therapy that is, to our knowledge, the first anti-BCMA CAR-T cell therapy incorporating an immune cloaking approach that includes both the removal of the endogenous beta-2 microglobulin ("B2M") protein and insertion of a beta-2-microglobulin–human-leukocyte-antigen-E–peptide transgene ("B2M–HLA-E"). This strategy is designed to reduce CAR-T cell rejection by both patient T cells and natural killer ("NK") cells to potentially enable more durable antitumor activity. CB-011 is being evaluated in our CaMMouflage phase 1 clinical trial in adult patients with relapsed or refractory multiple myeloma ("r/r MM"), and we are currently enrolling patients in the dose escalation portion of the CaMMouflage trial. Recently, we implemented a lymphodepletion regimen that includes a higher dose of cyclophosphamide than was part of the original protocol, and we plan to present initial dose escalation data from our CaMMouflage phase 1 clinical trial in the first half of 2025. CB-011 received fast track and orphan drug designations for r/r MM from the FDA.

The third product candidate from our CAR-T cell platform is CB-012, an allogeneic CAR-T cell therapy targeting CLL-1. CB-012 is, to our knowledge, the first allogeneic CAR-T cell therapy with both checkpoint disruption and immune cloaking strategies. We believe that CLL-1 is an attractive target for acute myeloid leukemia ("AML") due to its expression on myeloid cancer cells, its enrichment on leukemic stem cells, and its absence on hematopoietic stem cells ("HSCs"). CB-012 is being evaluated in our AMpLify phase 1 clinical trial in adult patients with relapsed or refractory AML ("r/r AML"), and we are currently enrolling patients in the dose escalation portion of the AMpLify phase 1 trial. We plan to provide updates on dose escalation as our AMpLify phase 1 clinical trial advances. CB-012 received fast track and orphan drug designations for r/r AML from the FDA.

Since our founding in 2011, we have devoted substantially all our resources to organizing and staffing, business planning, raising capital, expanding our genome-editing platform technologies, developing our product candidates and building our pipeline, creating and maintaining our intellectual property portfolio, and establishing arrangements with third parties for the manufacture, testing, and clinical trial evaluations of our product candidates. We do not have any products

approved for commercial sale and have not generated any revenue from product sales. We have incurred operating losses since commencement of our operations.

To date, we have primarily funded our operations through proceeds from the sales of our capital stock, revenue from our license and collaboration agreements, and proceeds from the sale of shares of Intellia Therapeutics, Inc. ("Intellia") common stock.

Our net losses for the three months ended September 30, 2024, and 2023, were $34.7 million and $10.0 million, respectively. Our net losses for the nine months ended September 30, 2024, and 2023, were $113.6 million and $67.6 million, respectively. We had an accumulated deficit of $412.9 million as of September 30, 2024. Our net losses and operating losses may fluctuate from quarter to quarter and year to year depending primarily on the timing of expenses associated with our clinical trials and nonclinical studies and our other research and development expenses. We anticipate that our expenses will increase substantially as we:

- advance clinical trials for our CAR-T cell therapy product candidates;
- continue our current research programs and our preclinical and clinical development of our current product candidates and any other product candidates we identify and choose to develop;
- further develop our genome-editing technologies;
- acquire or in-license new technologies;
- expand, maintain, enforce, and defend our intellectual property portfolio;
- seek regulatory and marketing approvals for any of our product candidates that successfully complete clinical trials, if any;
- establish and expand manufacturing capabilities and supply chain capacity for our product candidates;
- add operational, legal, financial, and management information systems to support growth initiatives;
- hire additional personnel as we advance our product candidates;
- experience any delays, challenges, or other issues associated with any of the above, including the failure of clinical trials meeting endpoints, the generation of unanticipated preclinical study results or clinical trial data subject to differing interpretations, or the occurrence of potential safety issues or other development or regulatory challenges;
- make royalty, milestone, or other payments under current, and any future, in-license or assignment agreements;
- establish a sales, marketing, and distribution infrastructure to commercialize any product candidates for which we obtain regulatory approval; and
- continue to operate as a public company.

We do not own or operate any manufacturing facilities. We use multiple contract manufacturing organizations ("CMOs") to individually manufacture, under current good manufacturing processes, our chRDNA guides, Cas9 and Cas12a proteins, plasmids, and adeno-associated virus serotype 6 ("AAV6") vectors used in the manufacture of our cell therapy product candidates as well as the CAR-T cell therapy product candidates themselves. We expect to continue to rely on CMOs for the manufacturing of our preclinical study and clinical trial materials, and most of our current CMOs have capabilities for commercial manufacturing. Additionally, we may decide to bring certain manufacturing functions in house and/or build our own manufacturing facility in the future to provide greater flexibility and control over our clinical and commercial manufacturing needs.

Because of the numerous risks and uncertainties associated with therapeutic product development, we may never achieve profitability and, unless and until we are able to develop and commercialize our product candidates, we will need to continue to raise additional capital. Until we can generate significant revenue from product sales, if ever, we expect to finance our operations through equity offerings (including our at-the-market equity offering program), debt financings, collaborations and strategic alliances, licensing arrangements, or other sources. There are no assurances that we will be successful in obtaining an adequate level of financing to support our business plans as needed on acceptable terms, or at all. If we raise additional funds through collaborations, strategic alliances, or licensing arrangements with third parties, we may have to relinquish valuable rights to our intellectual property, future revenue streams, research programs, or product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise capital as and when needed

or on attractive terms, we may have to significantly delay, reduce, or discontinue the development and commercialization of our product candidates or scale back or terminate our pursuit of new in-licenses and acquisitions.

On July 16, 2024, we announced that we had discontinued preclinical research activities associated with our allogeneic CAR-NK platform and had reduced our workforce by 21 positions, or approximately 12%. This workforce reduction, together with other cost containment measures, is expected to extend our cash runway by at least six months into the second half of 2026, which will enable us to focus resources on our allogeneic CAR-T cell therapy platform and on rapidly advancing our four oncology and autoimmune disease clinical programs through certain milestones expected in 2025. In connection with the workforce reduction, we recorded a total of $0.6 million in non-recurring restructuring charges during the three months ended September 30, 2024, consisting primarily of cash severance costs, continuation of benefits, and transition support services for impacted employees.

**Components of Results of Operations**

***Licensing and Collaboration Revenue***

We have not generated any revenue from product sales to date and do not expect to generate any revenue from the sale of products in the foreseeable future. If our development efforts for our product candidates are successful and result in regulatory approval and commercialization, we may generate revenue in the future from product sales. We cannot predict if, when, or to what extent we will generate revenue from the commercialization and sale of our product candidates if we succeed in obtaining regulatory approval for these product candidates.

To date, all our revenue consists of licensing and collaboration revenue earned from collaboration and/or licensing agreements entered into with third parties, including related parties. Under these agreements, we license rights to certain intellectual property controlled by us. The terms of these arrangements typically include payments to us of one or more of the following: nonrefundable, upfront license fees or exclusivity fees; annual maintenance fees; regulatory and/or commercial milestone payments; research and development payments; and royalties on the net sales of products and/or services. Each of these payments results in licensing and collaboration revenue. Revenue under such licensing and collaboration agreements was $2.0 million and $23.7 million for the three months ended September 30, 2024, and 2023, respectively, and $7.9 million and $30.9 million for the nine months ended September 30, 2024, and 2023, respectively. See Notes 4, 5, and 7 to our unaudited condensed consolidated financial statements included elsewhere in this Form 10-Q for additional information.

For additional information about our revenue recognition policy related to our licensing and collaboration agreements, see Note 2 to the consolidated financial statements included in our Form 10-K.

For the foreseeable future, we expect substantially all our revenue will be generated from licensing and collaboration agreements.

***Operating Expenses***

*Research and Development Expenses*

Our research and development expenses consist of internal and external expenses incurred in connection with the development of our product candidates and our platform technologies, and our in-licensing, assignment, and other third-party agreements.

External costs include:

- costs associated with acquiring technology and intellectual property licenses that have no alternative future uses, sublicensing revenues, and milestones;
- costs incurred in connection with the preclinical and clinical development and manufacturing of our product candidates, including under agreements with CMOs, suppliers, clinical research organizations (“CROs”), and clinical sites; and
- other research and development costs, including laboratory materials and supplies, and consulting services.

Internal costs include:

- personnel-related costs, including salaries, benefits, and share-based compensation expense, for our research and development personnel; and

- allocated facilities and other overhead expenses, including expenses for rent, facilities maintenance, and depreciation.

We expense research and development costs as incurred. Costs of certain activities are recognized based on an evaluation of the progress to completion of specific tasks. However, payments made prior to the receipt of goods or services that will be used or rendered for future research and development activities are deferred and capitalized as prepaid expenses and other current assets on our unaudited condensed consolidated balance sheets. The capitalized amounts are recognized as expenses as the goods are delivered or as related services are performed. We separately track certain external costs on a program-by-program basis; however, we do not track costs that are deployed across multiple programs.

Research and development activities are central to our business strategy. Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. We expect that our research and development expenses will increase substantially for the foreseeable future as we continue to implement our business strategy; advance our product candidates through clinical trials and later stages of development; conduct preclinical studies and clinical trials for our other product candidates; seek regulatory approvals for any product candidates that successfully complete clinical trials; and seek to identify, in-license, acquire, and/or develop additional product candidates.

The successful development of our CAR-T cell therapy product candidates, as well as other potential future product candidates, is highly uncertain. Accordingly, we cannot reasonably estimate or know the nature, timing, and costs of the efforts that will be necessary to complete the development of our product candidates. We are also unable to predict when, if ever, we will generate revenue and material net cash inflows from the commercialization and sale of any of our product candidates for which we may obtain regulatory approval. We may never succeed in achieving regulatory approval for any of our product candidates. The duration, costs, and timing of preclinical studies, clinical trials, and development of our product candidates will depend on a variety of factors, including:

- sufficiency of our financial and other resources;
- acceptance of our CRISPR chRDNA genome-editing technology and other new technologies we may develop or in-license;
- the ability to develop differentiating features so that our products have a competitive edge;
- establishment, maintenance, enforcement, and defense of our patents and other intellectual property rights;
- the ability to not infringe, misappropriate, or otherwise violate third-party intellectual property rights;
- clearance of IND applications to initiate clinical trials on new product candidates;
- successful enrollment in, and completion of, our clinical trials on our product candidates;
- generation of data from our clinical trials that support an acceptable risk-benefit profile of our product candidates for the intended patient populations and that demonstrate safety and efficacy;
- entry into collaborations to further the development of our product candidates or for the development of new product candidates;
- successful development of our internal process development and transfer to CMOs;
- maintenance of, and compliance with, our agreements with CMOs and suppliers for clinical and commercial supplies and scaling up manufacturing processes and capabilities to support our clinical trials;
- receipt of marketing approvals from applicable regulatory authorities;
- grant of regulatory exclusivity for our product candidates;
- establishment of sales, marketing, and distribution capabilities necessary for commercialization of our product candidates if and when approved by the applicable regulatory authorities, whether by us or in collaboration with third parties;
- maintenance of a continued acceptable safety profile of our products post-approval;
- acceptance of our product candidates, if and when approved by the applicable regulatory authorities, by patients, the medical community, and third-party payors;

- ability of our products to compete with other therapies and treatment options;
- establishment and maintenance of healthcare coverage and adequate reimbursement; and
- expanded indications and patient populations for our products.

The following table summarizes our research and development expenses for the periods indicated:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | (in thousands) | | (in thousands) | |
| External costs: | | | | |
| Expenses related to licenses, sublicensing revenue, and milestones | $ 375 | $ 968 | $ 4,429 | $ 2,141 |
| Services provided by CROs, CMOs, and third parties that conduct preclinical studies and clinical trials on our behalf | 13,060 | 11,928 | 37,215 | 32,345 |
| Other research and development expenses | 3,655 | 3,352 | 18,065 | 12,181 |
| Total external costs | 17,090 | 16,248 | 59,709 | 46,667 |
| Internal costs: | | | | |
| Personnel-related expenses | 9,869 | 8,836 | 30,344 | 25,702 |
| Facilities and other allocated expenses | 3,462 | 3,500 | 9,636 | 8,427 |
| Total internal costs | 13,331 | 12,336 | 39,980 | 34,129 |
| Total research and development expenses | $ 30,421 | $ 28,584 | $ 99,689 | $ 80,796 |

*General and Administrative Expenses*

Our general and administrative expenses consist primarily of personnel-related costs, intellectual property costs, consulting costs, and allocated overhead, including rent, equipment depreciation, and utilities. Personnel-related costs consist of salaries, benefits, and stock-based compensation for our general and administrative personnel. Intellectual property costs include expenses for filing, prosecuting, and maintaining patents and patent applications, including certain patents and patent applications that we license from third parties. We are entitled to receive reimbursement from third parties of a portion of the costs for filing, prosecuting, and maintaining certain patents and patent applications. We accrue for these reimbursements as the respective expenses are incurred and classify such reimbursements as a reduction of general and administrative expenses. During the three months ended September 30, 2024, and 2023, we recorded $0.4 million and $0.2 million, respectively, of patent cost reimbursements as a reduction to general and administrative expense. During the nine months ended September 30, 2024, and 2023, we recorded $0.9 million and $1.3 million, respectively, of patent cost reimbursements as a reduction to general and administrative expense.

We expect that our general and administrative expenses will increase in the future as a result of expanding our operations, including preparing for potential commercialization of our product candidates, and additional facility occupancy costs, as well as other expenses necessary to support the growth and operations of a clinical-stage public company.

*Other Income*

Other income consists primarily of interest income earned on cash and marketable securities and the change in fair value of the Memorial Sloan Kettering Cancer Center (“MSKCC”) success payments liability under our Exclusive License Agreement, dated November 13, 2020, with MSKCC (“MSKCC Agreement”).

**Results of Operations**

***Comparison of the Three Months Ended September 30, 2024, and 2023***

The following table summarizes our results of operations for the periods indicated:

| | Three Months Ended September 30, | | |
|---|---|---|---|
| | 2024 | 2023 | Change |
| | (in thousands) | | |
| Licensing and collaboration revenue | $ 2,024 | $ 23,662 | $ (21,638) |
| Operating expenses: | | | |
| Research and development | 30,421 | 28,584 | 1,837 |
| General and administrative | 9,841 | 9,711 | 130 |
| Total operating expenses | 40,262 | 38,295 | 1,967 |
| Loss from operations | (38,238) | (14,633) | (23,605) |
| Other income: | | | |
| Change in fair value of equity securities | (14) | (4) | (10) |
| Change in fair value of the MSKCC success payments liability | (164) | (139) | (25) |
| Other income, net | 3,732 | 4,774 | (1,042) |
| Total other income | 3,554 | 4,631 | (1,077) |
| Net loss | $ (34,684) | $ (10,002) | $ (24,682) |

*Licensing and Collaboration Revenue*

Licensing and collaboration revenue decreased by $21.6 million to $2.0 million for the three months ended September 30, 2024, from $23.7 million for the three months ended September 30, 2023. This decrease was primarily related to a decrease of $21.5 million of revenue recognized under the now-terminated Collaboration and License Agreement, dated February 9, 2021 (as amended, "AbbVie Agreement") with AbbVie Manufacturing Management Unlimited Company ("AbbVie").

The following table summarizes our revenue by licensee for the periods indicated:

| | Three Months Ended September 30, | | |
|---|---|---|---|
| | 2024 | 2023 | Change |
| | (in thousands) | | |
| AbbVie | $ — | $ 21,476 | $ (21,476) |
| Pfizer, related party | 622 | 622 | — |
| Other licensees | 1,402 | 1,564 | (162) |
| Total licensing and collaboration revenue | $ 2,024 | $ 23,662 | $ (21,638) |

*Research and Development Expenses*

Research and development expenses increased by $1.8 million to $30.4 million for the three months ended September 30, 2024, from $28.6 million for the three months ended September 30, 2023. This increase was primarily related to (i) a net increase of $1.1 million in external CMO and CRO activities for our clinical CAR-T cell therapy product candidates, driven by (a) an increase of $1.4 million in CRO activities for clinical trials; partially offset by (b) a decrease of $0.3 million due to timing of CMO activities; (ii) an increase of $1.0 million in personnel-related expenses, including stock-based compensation, primarily due to severance and other related expenses recorded as a result of the July 2024 workforce reduction; and (iii) an increase of $0.3 million in other research and development expenses to advance preclinical and clinical research for our programs, as well as other consulting services related to research and development; partially offset by a decrease of $0.6 million in expenses related to licenses, sublicensing revenue, and milestones.

*General and Administrative Expenses*

General and administrative expenses increased by $0.1 million to $9.8 million for the three months ended September 30, 2024, from $9.7 million for the three months ended September 30, 2023. This increase was primarily related to increases of $0.4 million in patent prosecution and maintenance costs; partially offset by a decrease of $0.3 million in legal and other service-related expenses.

*Total Other Income*

Total other income decreased by $1.1 million for three months ended September 30, 2024, as compared to the three months ended September 30, 2023.

We recognized a loss related to the change in the fair value of the MSKCC success payments liability in the amount of $0.2 million and $0.1 million, for the three months ended September 30, 2024, and 2023, respectively.

Other income, net decreased by $1.0 million during the three months ended September 30, 2024, compared to September 30, 2023. This decrease was primarily related to a $1.0 million decrease in interest income earned from marketable securities.

***Comparison of the Nine Months Ended September 30, 2024, and 2023***

The following table summarizes our results of operations for the periods indicated:

| | Nine Months Ended September 30, | | |
|---|---|---|---|
| | 2024 | 2023 | Change |
| | (in thousands) | | |
| Licensing and collaboration revenue | $ 7,917 | $ 30,919 | $ (23,002) |
| Operating expenses: | | | |
| Research and development | 99,689 | 80,796 | 18,893 |
| General and administrative | 35,969 | 28,740 | 7,229 |
| Total operating expenses | 135,658 | 109,536 | 26,122 |
| Loss from operations | (127,741) | (78,617) | (49,124) |
| Other income: | | | |
| Change in fair value of equity securities | (116) | 3 | (119) |
| Change in fair value of the MSKCC success payments liability | 1,934 | 395 | 1,539 |
| Other income, net | 12,308 | 10,654 | 1,654 |
| Total other income | 14,126 | 11,052 | 3,074 |
| Net loss | $ (113,615) | $ (67,565) | $ (46,050) |

*Licensing and Collaboration Revenue*

Licensing and collaboration revenue decreased by $23.0 million to $7.9 million for the nine months ended September 30, 2024, from $30.9 million for the nine months ended September 30, 2023. This decrease was primarily related to a decrease of $24.5 million in revenue recognized under the now-terminated AbbVie Agreement; partially offset by (i) an increase of $1.2 million in revenue recognized under our Information Rights Agreement with Pfizer, dated June 29, 2023; and (ii) a net increase of $0.5 million in revenue recognized under our agreements with Edge, driven by (a) an increase of $1.6 million related to the Edge chRDNA License Agreement; partially offset by (b) a decrease of $1.2 million related to the Edge Cas9 License Agreement.

The following table summarizes our revenue by licensee for the periods indicated:

| | Nine Months Ended September 30, | | |
|---|---|---|---|
| | 2024 | 2023 | Change |
| | (in thousands) | | |
| AbbVie | $ — | $ 24,458 | $ (24,458) |
| Edge Animal Health, related party | 1,623 | 1,150 | 473 |
| Pfizer, related party | 1,865 | 622 | 1,243 |
| Other licensees | 4,429 | 4,689 | (260) |
| Total licensing and collaboration revenue | $ 7,917 | $ 30,919 | $ (23,002) |

*Research and Development Expenses*

Research and development expenses increased by $18.9 million to $99.7 million for the nine months ended September 30, 2024, from $80.8 million for the nine months ended September 30, 2023. This increase was primarily related to (i) an increase of $5.9 million in other research and development expenses to advance preclinical and clinical research for our programs, as well as other consulting services related to research and development; (ii) a net increase of $4.9 million in external CMO and CRO activities for our clinical CAR-T cell therapy product candidates, driven by (a) an increase of $10.5 million in CRO activities for clinical trials; partially offset by (b) a decrease of $5.6 million due to timing of CMO activities; (iii) an increase of $4.6 million in personnel-related expenses, including stock-based compensation, due to headcount increases; (iv) an increase of $2.3 million in expenses related to licenses, sublicensing revenue, and milestones; and (v) an increase of $1.2 million in other facilities and allocated expenses.

*General and Administrative Expenses*

General and administrative expenses increased by $7.2 million to $36.0 million for the nine months ended September 30, 2024, from $28.7 million for the nine months ended September 30, 2023. This increase was primarily related to increases of $5.4 million in legal, and other service-related expenses, including $3.9 million of accrued costs for the securities litigation settlement and $2.7 million in personnel-related expenses, including stock-based compensation, due to headcount increases; partially offset by a decrease of $0.7 million in patent prosecution and maintenance costs.

*Total Other Income*

Total other income increased by $3.1 million for the nine months ended September 30, 2024, as compared to the nine months ended September 30, 2023.

We recognized a gain related to the change in the fair value of the MSKCC success payments liability in the amount of $1.9 million and $0.4 million, for the nine months ended September 30, 2024, and 2023, respectively.

Other income, net increased by $1.7 million during the nine months ended September 30, 2024, compared to September 30, 2023. This increase was primarily related to a $1.7 million increase in interest income earned from marketable securities.

**Liquidity, Capital Resources, and Capital Requirements**

***Sources of Liquidity***

Since our inception, we have not generated any revenue from product sales and have incurred significant operating losses and negative cash flows from our operations. We have funded our operations through sales of our capital stock, including sales of our convertible preferred stock, which generated approximately $150.1 million in aggregate net proceeds through 2021; from our initial public offering (“IPO”) in 2021, which generated approximately $321.0 million in net proceeds; and from our underwritten follow-on public offering in 2023, which generated approximately $134.4 million in net proceeds. We have also received approximately $88.4 million in net proceeds from the sale of Intellia common stock through 2020. Additionally, we received a $25.0 million equity investment from Pfizer through a private placement transaction in June 2023. Through September 30, 2024, we received approximately $99.8 million from licensing agreements, licensing and collaboration agreements, a service agreement, patent assignments, and government grants, including $36.7 million that we received from AbbVie under the now-terminated AbbVie Agreement.

On August 9, 2022, we filed a universal shelf registration statement on Form S-3 ("Shelf Registration Statement") with the SEC, which allows us to, from time to time, sell up to $400.0 million of common stock, preferred stock, debt securities, warrants, rights, or units comprised of any combination thereof (including the $100.0 million of common stock reserved for our at-the-market equity offering program). The Shelf Registration Statement was declared effective by the SEC on August 16, 2022.

On August 9, 2022, we entered into an at-the-market Open Market Sale Agreement℠ ("ATM Sales Agreement") with Jefferies LLC ("Jefferies"), pursuant to which, upon the terms and subject to the conditions and limitations set forth in the ATM Sales Agreement, we may, from time to time, in our sole discretion, issue and sell, through Jefferies, acting as sales agent, up to $100.0 million of our shares of common stock under the Shelf Registration Statement, by any method permitted by law deemed to be an "at the market offering" as defined in Rule 415(a)(4) of the Securities Act. Jefferies uses commercially reasonable efforts consistent with its normal sales and trading practices to sell shares from time to time, based upon our instructions (including any price or size limits or other customary parameters or conditions we may impose). We pay Jefferies a commission equal to 3.0% of the aggregate gross proceeds of any shares sold through Jefferies pursuant to the ATM Sales Agreement. As of September 30, 2024, we have sold 1,762,806 shares of our common stock under the ATM Sales Agreement, at an average price per share of $7.32 for aggregate gross proceeds of $12.9 million ($12.3 million net of offering expenses).

In July and August 2023, we issued and sold a total of 22,115,384 shares of our common stock in an underwritten follow-on public offering at a price to the public of $6.50 per share, which included the full exercise of the underwriters' right to purchase 2,884,615 additional shares of our common stock. The total gross proceeds from the offering were approximately $143.7 million ($134.4 million net of underwriting discounts and commissions and offering expenses). The shares were sold under the Shelf Registration Statement.

As of September 30, 2024, we had cash, cash equivalents, and marketable securities of $281.0 million. We will continue to be dependent upon equity financing, debt financing, collaboration and licensing arrangements, and/or other forms of capital raises at least until we are able to generate significant positive cash flows from our operations. We have no current ongoing material contractual commitments that are expected to affect our liquidity over the next five years, except for our lease commitments and payments under certain of our agreements with CMOs, suppliers, CROs, clinical trial sites, licensors, assignors, and the like. On April 22, 2024, we reached an agreement in principle with plaintiffs in the securities litigation to settle the case for $3.9 million and, on October 15, 2024, the court issued an order preliminarily approving the settlement pending a final settlement approval hearing. For information regarding our material contractual obligations and commitments and other contingencies, refer to Notes 4, 8, and 9 to our unaudited condensed consolidated financial statements included elsewhere in this Form 10-Q.

Based on our current operating plan, we expect that our existing cash, cash equivalents, and marketable securities will be sufficient to fund our operations for at least the next 12 months from the date of this Form 10-Q. We have based these estimates on our current assumptions, which may require future adjustments based on our ongoing business decisions.

***Strategic Investment***

On June 29, 2023, we entered into a Securities Purchase Agreement with Pfizer Inc. ("Pfizer") pursuant to which we issued and sold to Pfizer 4,690,431 shares of our common stock, par value $0.0001 per share, at a purchase price of $5.33 per share, for aggregate gross proceeds of approximately $25.0 million in a private placement transaction ("Pfizer Investment"). The issuance and sale of the shares to Pfizer closed on June 30, 2023. We granted certain registration rights to Pfizer under the Securities Purchase Agreement covering the resale of the shares. Unless otherwise agreed by Pfizer, we have agreed to use the proceeds from the Pfizer Investment solely in connection with (i) the development program for our allogeneic anti-BCMA CAR-T cell therapy known as CB-011 product candidate that is being evaluated in our CaMMouflage clinical trial and/or (ii) any other single-targeted anti-BCMA CAR-T cell therapy using an anti-BCMA single-chain variable fragment owned or controlled by us (collectively, cell therapies described in clauses (i) and (ii) are referred to as a "BCMA Product Candidate"), for 36 months beginning on June 29, 2023.

On June 29, 2023, in connection with the Pfizer Investment, we and Pfizer also entered into an Information Rights Agreement, having a 36-month term. Under the Information Rights Agreement, we granted Pfizer a 30 calendar day right of first negotiation if we commence or engage with any third party with respect to a potential grant of rights to develop and/or commercialize a BCMA Product Candidate, including, without limitation, a license agreement, a co-promotion/co-commercialization agreement, a profit share agreement, a joint venture agreement, or an asset sale agreement (a "Grant of Program Rights"). If we and Pfizer do not reach an agreement with respect to a Grant of Program Rights within the 30-day period, then we may pursue negotiations and enter into an agreement with any third party. If we and such third party do not

reach agreement on the Grant of Program Rights within a specified time period, Pfizer's right of first negotiation will be reinstated. Under the Information Rights Agreement, we also granted Pfizer the right to designate one representative to serve on our scientific advisory board. Through an information sharing committee, we provide calendar quarter updates to Pfizer regarding the development program for a BCMA Product Candidate. Additionally, we provide Pfizer access to any preclinical or interim or final clinical data (including raw data) and results generated as part of the development program for a BCMA Product Candidate at the same time that we provide such data to a third party (other than to our service providers or the FDA or other regulatory authorities), subject to certain confidentiality exceptions.

***Funding Requirements***

Our primary use of cash is to fund operating expenses and research and development expenditures. Cash used to fund operating expenses is impacted by the timing of when we pay these expenses, as reflected in the change in our outstanding accounts payable, accrued expenses, and prepaid expenses.

Our future funding requirements will depend on many factors, including the following:

- the initiation, progress, timing, costs, and results of preclinical studies and clinical trials for our product candidates;
- the clinical development plans we establish for our product candidates;
- the number and characteristics of the new product candidates that we develop;
- the outcome, timing, and cost of meeting regulatory requirements established by the FDA and other comparable foreign regulatory authorities;
- whether we enter into any collaboration agreements and the terms of any such agreements;
- the cost of filing and prosecuting our patent applications, and maintaining and enforcing our patents and other intellectual property rights;
- the extent to which we acquire or in-license other product candidates and/or new technologies;
- the cost of defending intellectual property disputes, including patent infringement actions brought by third parties against our products after we receive regulatory approval;
- the effect of competing technological and market developments;
- the cost and timing of completion of commercial-scale outsourced manufacturing activities;
- the cost and timing of completion of clinical-scale and commercial-scale internal manufacturing activities, if we elect to conduct these activities ourselves;
- increases in the number of our employees and expansion of our physical facilities to support growth initiatives;
- the cost of establishing sales, marketing, and distribution capabilities for any product candidates for which we may receive regulatory approval in regions where we choose to commercialize our products without a partner;
- the amount of revenue, if any, received from commercial sales of our product candidates, should any of our product candidates receive regulatory approval;
- the achievement of milestones or occurrence of other developments that trigger payments by or to third parties;
- our implementation of various computerized informational systems and efforts to enhance operational systems;
- the impact of public health crises or geopolitical events on our clinical development or operations;
- the impact of inflationary pressures on the cost of our operations; and
- the costs associated with being a public company.

Furthermore, our operating plans may change, and we expect to need additional funds to meet operational needs and capital requirements for clinical trials and other research and development expenditures.

Because of the numerous risks and uncertainties associated with the development of human therapeutics, we may never achieve profitability and, unless and until we are able to develop and commercialize our product candidates, we will need to continue to raise additional capital; however, funding may not be available to us on acceptable terms, or at all. If we are unable to obtain adequate financing when needed, we may have to delay, reduce the scope of, or suspend one or more of our preclinical studies, clinical trials, research and development programs, and/or commercialization efforts. We may seek to raise any necessary additional capital through a combination of equity offerings (including our at-the-market equity offering program), debt financings, collaborations and strategic alliances, licensing arrangements, or other sources. If we raise additional capital through debt financing, we may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, or declaring dividends. If we raise additional capital through the sale of equity or convertible debt securities, the issuance of these securities could result in dilution to our stockholders. If we raise additional capital through marketing and distribution arrangements or other collaborations, strategic alliances, or licensing arrangements with third parties or other sources, we may have to relinquish certain valuable rights to our product candidates, technologies, future revenue streams, or research programs or grant licenses on terms that may not be favorable to us.

**Cash Flows**

***Comparison of the Nine Months Ended September 30, 2024, and 2023***

The following table summarizes our cash flows for the periods indicated:

| | Nine Months Ended September 30, | | |
|---|---|---|---|
| | 2024 | 2023 | Change |
| | (in thousands) | | |
| Cash used in operating activities | $ (102,730) | $ (71,912) | $ (30,818) |
| Cash provided by (used in) investing activities | 70,677 | (36,709) | 107,386 |
| Cash provided by financing activities | 12,861 | 154,341 | (141,480) |
| Net (decrease) increase in cash, and cash equivalents, and restricted cash | $ (19,192) | $ 45,720 | $ (64,912) |

***Cash Used in Operating Activities***

Net cash used in operating activities was $102.7 million and $71.9 million for the nine months ended September 30, 2024, and 2023, respectively.

Cash used in operating activities for the nine months ended September 30, 2024, was primarily due to our net loss of $113.6 million, adjusted by non-cash charges of $11.7 million and net changes in our operating assets and liabilities of $0.8 million. Our non-cash charges were primarily comprised of (i) $12.8 million of stock-based compensation, (ii) $2.7 million of depreciation and amortization expense, (iii) $1.7 million of non-cash lease expense, and (iv) $1.6 million of acquired in-process research and development; which were partially offset by (i) accretion of discounts on our marketable securities investments of $3.7 million, (ii) change in the fair value of the MSKCC success payments liability of $1.9 million, and (iii) non-cash consideration for licensing and collaboration revenue of $1.6 million. The changes in our operating assets and liabilities were primarily due to (i) increases of $3.2 million in other assets and $0.4 million in prepaid expenses and other current assets, and (ii) decreases of $2.2 million in deferred revenue, current and long-term and $0.5 million in operating lease liabilities; partially offset by (i) decreases of $0.6 million in other receivables and $0.6 million in contract assets, and (ii) an increase of $4.3 million in accrued expenses and other current liabilities.

Cash used in operating activities for the nine months ended September 30, 2023, was primarily due to our net loss of $67.6 million, adjusted by non-cash charges of $8.0 million and net changes in our operating assets and liabilities of $12.3 million. Our non-cash charges were primarily comprised of (i) $10.2 million of stock-based compensation, (ii) $2.8 million of depreciation and amortization expense, and (iii) non-cash lease expense of $1.6 million; which were partially offset by (i) accretion of discounts on investments of $6.0 million, and (ii) change in the fair value of the MSKCC success payments liability of $0.4 million. The changes in our operating assets and liabilities were primarily due to an increase in accounts receivable of $0.9 million and decreases of $16.3 million in deferred revenue, current and long-term, and $0.3 million in operating lease liabilities; partially offset by (i) decreases in prepaid expenses and other current assets of $0.9 million, contract assets of $0.6 million, and (ii) increases of $2.8 million in accrued expenses and other current liabilities, and $1.1 million in accounts payable.

***Cash Provided by Investing Activities***

During the nine months ended September 30, 2024, cash provided by investing activities was $70.7 million, and during the nine months ended September 30, 2023, cash used in investing activities was $36.7 million.

Cash provided by investing activities for the nine months ended September 30, 2024, was primarily due to proceeds from the maturities of marketable securities of $325.6 million; partially offset by purchases of marketable securities of $248.9 million, property and equipment of $4.4 million, and in-process research and development of $1.6 million.

Cash used in investing activities for the nine months ended September 30, 2023, was primarily due to purchases of marketable securities of $310.6 million and property and equipment of $9.3 million; partially offset by proceeds from the sales and maturities of marketable securities of $283.2 million.

***Cash Provided by Financing Activities***

During the nine months ended September 30, 2024, and 2023, cash provided by financing activities was $12.9 million and $154.3 million, respectively.

Cash provided by financing activities for the nine months ended September 30, 2024, was primarily due to net proceeds from our at-the-market equity offering program of $11.3 million, the issuances of common stock under the 2021 Employee Stock Purchase Plan ("ESPP") of $0.9 million, and the exercises of stock options of $0.6 million.

Cash provided by financing activities for the nine months ended September 30, 2023, was primarily due to $134.5 million of net proceeds from our underwritten follow-on public offering, $17.3 million of net proceeds allocated to the issuances of common stock in a private placement transaction with Pfizer, net proceeds from our at-the-market equity offering program of $1.0 million, and the exercises of stock options and the issuances of common stock under the ESPP of $1.5 million.

**Critical Accounting Policies and Significant Judgments and Estimates**

Our critical accounting policies are disclosed in our audited consolidated financial statements for the year ended December 31, 2023, and the related notes included in our Form 10-K. Since the date of such financial statements, there have been no material changes to our significant accounting policies. There have been no material changes to our critical accounting estimates as compared to those disclosed in our Form 10-K.

***Recently Issued Accounting Pronouncements***

See Note 2 to our unaudited condensed consolidated financial statements included elsewhere in this Form 10-Q for more information regarding recently issued accounting pronouncements.

**Emerging Growth Company and Smaller Reporting Company Status**

We are an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 ("JOBS Act"). Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. We have elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that we (a) are no longer an emerging growth company or (b) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our unaudited condensed consolidated financial statements may not be comparable to those of companies that comply with the new or revised accounting pronouncements as of public company effective dates.

We expect to use the extended transition period for any other new or revised accounting standards during the period in which we remain an emerging growth company.

We are also a "smaller reporting company." If we are a smaller reporting company at the time we cease to be an emerging growth company, we may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. Specifically, as a smaller reporting company, we may choose to present only the two most recent fiscal years of audited consolidated financial statements in our Form 10-K and, similar to emerging growth companies, smaller reporting companies have reduced disclosure obligations regarding executive compensation.

**Item 3. Quantitative and Qualitative Disclosures about Market Risk.**

There have been no material changes to our market risk during the nine months ended September 30, 2024. For a discussion of our exposure to market risk, refer to the section titled "Quantitative and Qualitative Disclosures About Market Risk" in our Form 10-K.

**Item 4. Controls and Procedures.**

***Management's Evaluation of our Disclosure Controls and Procedures***

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and (ii) accumulated and communicated to our management, including our principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.

As of September 30, 2024, our management, with the participation of our principal executive officer and principal financial officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and our management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Our principal executive officer and principal financial officer have concluded that, based upon the evaluation described above, as of September 30, 2024, our disclosure controls and procedures were effective.

***Changes in Internal Control over Financial Reporting***

There were no changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(f) or 15d-15(f) under the Exchange Act during the three months ended September 30, 2024, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II—OTHER INFORMATION

**Item 1. Legal Proceedings.**

From time to time, we may become involved in litigation arising in the ordinary course of business. Regardless of the outcome, litigation can have a material adverse effect on us due to defense and settlement costs, diversion of our management resources, and other factors.

On April 11, 2023, a putative class action lawsuit was filed in the U.S. District Court for the Northern District of California against our company and certain of our officers and current and former members of our board of directors, *Bergman v. Caribou Biosciences, Inc., et al.*, Case Number 23-cv-01742 ("Bergman Case"). The Bergman complaint challenged disclosures regarding our company's business, operations, and prospects, specifically with respect to the alleged durability of CB-010's therapeutic effect and the product candidate's clinical and commercial prospects, in alleged violation of Sections 11 and 15 of the Securities Act and Sections 10(b) and 20(a) of the Exchange Act. On September 18, 2023, plaintiffs filed an amended complaint adding the IPO underwriters as defendants and making substantially the same allegations as the original complaint. On November 14, 2023, we filed a motion to dismiss the amended complaint for failure to state a claim. Motion to dismiss briefing was completed on February 21, 2024. On April 22, 2024, we reached an agreement in principle with plaintiffs to settle the Bergman Case for $3.9 million in exchange for a full release of the putative class's claims against us and all our current and former officers, current and former members of our board of directors, the IPO underwriters, and the other named defendant. The parties filed a settlement agreement with the court on June 26, 2024, and, on October 15, 2024, the court issued an order preliminarily approving the settlement and setting a final settlement approval hearing for February 18, 2025.

**Item 1A. Risk Factors.**

There have been no material changes to the Risk Factors previously disclosed in Item 1A. to Part I of our Form 10-K. The risks described in our Form 10-K are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, and/or operating results.

**Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities.**

***Unregistered Sales of Equity Securities for the Three Months Ended September 30, 2024***

There were no unregistered sales of equity securities during the three months ended September 30, 2024.

***Use of Proceeds from our IPO***

The net proceeds from our IPO, after deducting underwriting discounts and commissions and offering expenses of $28.6 million, were $321.0 million. We are holding a significant portion of the remaining balance of the net proceeds from our IPO in money market mutual funds, U.S. Treasury bills, corporate debt securities, and U.S. government agency bonds. There has been no material change in our planned use of the net proceeds from our IPO described in the final prospectus for our IPO filed on July 23, 2021, with the SEC pursuant to Rule 424(b)(4) of the Securities Act.

**Item 5. Other Information.**

On August 13, 2024, Tina Albertson, M.D., Ph.D., our chief medical officer, entered into a Rule 10b5-1 trading arrangement (as that term is defined in Regulation S-K, Item 408) that is intended to qualify as an "eligible sell-to-cover transaction" (as described in Rule 10b5-1(c)(1)(ii)(D)(3) under the Exchange Act) and is intended to satisfy the affirmative defense in Rule 10b5-1(c) under the Exchange Act. This sell-to-cover arrangement applies to restricted stock units or performance-based stock units (collectively, "RSUs"), whether vesting is based on the passage of time and/or the achievement of performance goals, that were previously granted or that could in the future be granted by us from time to time. This arrangement provides for the automatic sale of shares of common stock that would otherwise be issuable on each settlement date of a covered RSU in an amount necessary to satisfy the applicable tax withholding obligations, with the proceeds of the sale delivered to us in satisfaction of the applicable tax withholding obligations. The number of shares of common stock that will be sold under these arrangements is not currently determinable as the number will vary based on the extent to which vesting conditions are satisfied, the market price of our common stock at the time of settlement, and the

potential future grant of RSUs subject to this arrangement. The sell-to-cover instructions will remain in place indefinitely unless revoked in writing (including as to any particular sell-to-cover sale) in accordance with their terms.

On September 6, 2024, City Canyon Family Trust, a trust for which Rachel Haurwitz, Ph.D., our president and chief executive officer and a member of our Board of Directors, is a co-trustee along with her husband, adopted a Rule 10b5-1 trading arrangement, providing for the sale from time to time of up to 540,000 shares of common stock in amounts and at prices determined in accordance with plan terms. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c) under the Exchange Act. The duration of the trading arrangement is until December 12, 2025, or earlier if all transactions under the trading arrangement are completed.

Except as described above, no other director or Section 16 officer adopted or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as that term is defined in Regulation S-K, Item 408) during the quarter ended September 30, 2024.

**Item 6. Exhibits.**

| Exhibit Number | Description |
|---|---|
| 3.1 | Amended and Restated Certificate of Incorporation of Caribou Biosciences, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-40631) filed by the Registrant with the SEC on July 28, 2021) |
| 3.2 | Amended and Restated Bylaws of Caribou Biosciences, Inc. (incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K (File No. 001-40631) filed by the Registrant with the SEC on July 28, 2021) |
| 4.1 | Description of Common Stock (incorporated by reference to Exhibit 4.1 to the Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 (File No. 001-40631), filed with the SEC on March 21, 2022) |
| 10.1+* | Offer Letter, dated May 30, 2024, between the Registrant and Tina Albertson, M.D., Ph.D. |
| 10.2+* | Officer Employment Agreement by and between the Registrant and Tina Albertson, M.D., Ph.D., dated August 12, 2024 |
| 31.1* | Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2* | Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32.1** | Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 32.2** | Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101.INS* | Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document. |
| 101.SCH* | Inline XBRL Taxonomy Extension Schema Document |
| 101.CAL* | Inline XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF* | Inline XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB* | Inline XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE* | Inline XBRL Taxonomy Extension Presentation Linkbase Document |
| 104* | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

* Filed herewith.
** Furnished herewith.
\+ Indicates management contract or compensatory plan

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Caribou Biosciences, Inc.

Date: November 6, 2024

By: /s/ Rachel E. Haurwitz

**Rachel E. Haurwitz**
**President and Chief Executive Officer**
(Principal Executive Officer)

Date: November 6, 2024

By: /s/ Ryan Fischesser

**Ryan Fischesser**
**Vice President of Finance and Controller**
(Principal Financial Officer and Principal Accounting Officer)

Confidential

May 30, 2024

Tina Albertson, MD, PhD
XXXXXXXXX
XXXXXXXXX
XXXXXXXXX

**RE: Offer Letter of Employment with Caribou Biosciences, Inc.**

Dear Tina:

On behalf of Caribou Biosciences, Inc. (the "Company" or "Caribou"), I am pleased to invite you to join the Company as a Chief Medical Officer, reporting to Rachel Haurwitz, PhD. The first day of your employment will be August 12, 2024, or such other date as you and the Company mutually agree in writing. The Company acknowledges your previously planned vacation from August 26, 2024, to August 30, 2024, and will honor your request to take these five (5) days off as paid leave. Your position will be remote with regular visits to the Company's headquarters in Berkeley, California.

This offer of employment is contingent upon the satisfactory completion of reference and background checks along with verification of any previous employment, degrees, or certifications that you included on your resume.

The terms of this offer of employment are as follows:

1. Compensation. If you decide to join Caribou, you will be paid an annual salary of $500,000.00 which will be paid twice a month in accordance with the Company's normal payroll procedures. As a Caribou employee, you will also be eligible to receive certain employee benefits. The details of these employee benefits are explained in the attached Description of Benefits. You may be eligible for a 2024 discretionary bonus, as determined by the Company's Board of Directors and management in their sole discretion for your efforts in 2024, which may be pro-rated based on your duration of employment in 2024, provided you are employed with the Company on the day the bonus is paid out as well as being an employee in good standing. Currently, the target annual discretionary bonus for your position is set at forty percent (40.0%). Performance evaluations are typically done on an annual basis.

2. Initial Equity Grant. In addition, the Company will grant consisting of an option to purchase 300,000 shares of the Company's Common Stock (the "Option") on the date that is five (5) trading days after your first day of employment in August with the Company (the "Grant Date"). The exercise price of the Option will be equal to the closing market price per share of the Company's Common Stock on the grant date. Twenty-five percent (25%) of the Option will vest twelve (12) months after your first day of employment with the Company, subject to your continuing employment with the Company, and no shares will vest before the one-year date. The remaining Option will vest monthly thereafter (1/48 of the grant per month for the thirty-six (36) months following the one-year cliff), subject to your continuing employment with the Company on each vesting date. The Option will be subject to the terms and conditions of the Company's 2021 Equity Incentive Plan and accompanying agreements, including vesting requirements (collectively, the "Stock Agreements"). No right to any stock or Options is earned or accrued until a vesting date and the grant of equity does not confer any right to continued vesting of such equity or to continued employment with the Company.

3. Officer Employment Agreement and Indemnification Agreement. As an executive officer of the Company, the Company will enter into an Officer Employment Agreement and an Indemnification Agreement (Collectively, "Officer Agreements"). Copies of each are attached hereto. The Officer Agreements will be executed on your first day of employment in August with the Company.

4. Immigration. For purposes of federal immigration law, you will be required to provide to the Company documentary evidence of your identity and eligibility for employment in the United States. Such documentation must be provided to us within three (3) business days after your first day of employment in August, or the Company may terminate your employment.

5. Prior Employment/Third-Party Information. We also ask that, if you have not already done so, you disclose to the Company any and all agreements relating to your prior employment that may affect your ability to be employed by the Company or limit the manner in which you may be employed or areas in which you may participate. You represent and warrant that any such agreements will not prevent you from performing the duties of your position. Moreover, you agree that, during the term of your employment with the Company, you will not engage in any other employment, occupation, consulting, or other business activity directly related to the business in which the Company is now involved or becomes involved during the term of your employment, nor will you engage in any other activities that conflict with your obligations to the Company. Similarly, you agree not to bring any third-party confidential information to the Company, including that of your former employer, and that in performing your duties for the Company you will not in any way utilize any such information.

6. Company Policies. As a Company employee, you will be expected to abide by the Company's rules and policies and to acknowledge receipt of the same.

7. Confidential Information and Invention Assignment Agreement. As a condition of your employment, you are also required to sign and comply with a Confidential Information and Invention Assignment Agreement ("CIIAA"), which requires, among other provisions, the assignment of patent rights to any invention made during your employment at the Company to Caribou and that you will not disclose Company confidential information to any third party not under obligations of confidentiality to Caribou. A copy of the CIIAA is attached hereto. Please review the CIIAA and be prepared to sign it on the first day of your employment in August.

8. General. This Offer Letter together with the CIIAA, Stock Agreements, and Company's Employee Handbook set forth the terms of your employment with the Company and supersede any and all prior representations and agreements including, but not limited to, any representations made during your recruitment, interviews, or pre-employment negotiations, whether written or oral. In the event of a conflict between the terms and provisions of this Offer Letter, the CIIAA, the Stock Agreements, or the Employee Handbook, the applicable terms and provisions of the CIIAA, the Stock Agreements, or the Employee Handbook will control. Any amendment of this Offer Letter, other than your first day of employment, or any waiver of a right under this Offer Letter must be in a writing signed by you and the President & CEO of the Company.

9. Confidential Offer of Employment. Until you have accepted this offer of employment, it is strictly confidential and its contents should only be disclosed and discussed with your significant other, attorney, accountant, and/or tax advisor.

To accept the Company's offer of employment, please sign and date this Offer Letter in the space provided below. This offer of employment will terminate if the Offer Letter is not accepted, signed, and returned by you to the Company on or before June 7, 2024. We look forward to your favorable reply and to working with you at Caribou Biosciences, Inc.

Sincerely,

/s/ Rachel E Haurwitz
Rachel E. Haurwitz, PhD

President and CEO

**AGREED TO AND ACCEPTED**:

Signature: /s/ Tina Albertson

Printed Name: Tina Albertson

Date: June 4, 2024

Enclosures:

Description of Benefits

Confidential Information and Invention Assignment Agreement

# OFFICER EMPLOYMENT AGREEMENT

This Officer Employment Agreement ("Agreement") is dated as of August 12, 2024 ("Effective Date"), and is by and between Caribou Biosciences, Inc., a Delaware corporation, having an address at 2929 7th Street, Suite 105, Berkeley, CA 94710 (the "Company"), and Tina Albertson, MD, PhD (the "Officer").

WHEREAS, the Company desires to employ the Officer and the Officer desires to be employed by the Company on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**1. Employment**.

a. Term. The term of this Agreement shall commence on the Effective Date and continue until terminated in accordance with the provisions hereof (the "Term").

b. Position and Duties. During the Term, the Officer shall serve as Chief Medical Officer of the Company, and shall have supervision and control over and responsibility for the day-to-day business and affairs of the Company as may from time to time be prescribed by the Company's President and Chief Executive Officer of the Company, provided that such duties are consistent with the Officer's position or other positions that they may hold from time to time. The Officer shall devote substantially all of their full working time and efforts to the business of the Company. Notwithstanding the foregoing, the Officer may serve on other boards of directors, with the approval of the Board, or sit on the governing boards of, or hold leadership positions related to community, charitable, academic, and religious activities as long as such services and activities are disclosed to the Board and do not materially interfere with the Officer's performance of their duties to the Company as provided in this Agreement.

**2. Compensation and Related Matters**.

a. Base Salary. During the Term, the Officer's initial annual base salary shall be $500,000.00. The Officer's base salary shall be reviewed from time to time by the Company's Board of Directors ("Board") or the Compensation Committee of the Board. The base salary in effect at any given time is referred to herein as "Base Salary." The Base Salary shall be payable in a manner that is consistent with the Company's usual payroll practices.

b. Incentive Compensation. During the Term, the Officer shall be eligible to receive cash incentive compensation as determined by the Board or the Compensation Committee from time to time. The Officer's initial target annual incentive compensation shall be 40.0% of their Base Salary. Except as otherwise provided herein, to earn incentive compensation, the Officer must be employed by the Company on the day such incentive compensation is paid.

c. Company Benefits. The Officer shall be entitled to all benefits received by employees of the Company in accordance with the Company's policies and plans.

**3. Termination**. During the Term, the Officer's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

a. Termination by the Company for Cause. The Company may terminate the Officer's employment hereunder for Cause. For purposes of this Agreement, "Cause" shall mean: (i) conduct by the Officer constituting a material act of misconduct in connection with the performance of their duties, including, without limitation, misappropriation of funds or property of the Company or any of its subsidiaries or affiliates other than the occasional, customary, and de minimis use of Company property for personal purposes; (ii) the commission by the Officer of any felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud, or any conduct by the Officer that would reasonably be expected to result in material injury or reputational harm to the Company or any of its subsidiaries and affiliates if they were retained in their position; (iii) continued non-performance by the Officer of their duties hereunder (other than by reason of the Officer's physical or mental illness, incapacity or disability) that has continued for more than 30 days following written notice of such non-performance from the Board; (iv) a material violation by the Officer of the Company's written policies; or (v) failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or the willful destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation.

b. Termination by the Company Without Cause. The Company may terminate the Officer's employment hereunder at any time without Cause upon written notice of such termination ("Notice of Termination"). Any termination by the Company of the Officer's employment under this Agreement which does not constitute a termination for Cause under Section 3(a) and does not result from the death or disability of the Officer under Section 3(d) or (e), respectively, shall be deemed a termination without Cause.

c. Termination by the Officer. The Officer may terminate their employment hereunder at any time for any reason, including but not limited to Good Reason. For purposes of this Agreement, "Good Reason" shall mean that the Officer has complied with the "Good Reason Process" (hereinafter defined) following the occurrence of any of the following events: (i) a material diminution in the Officer's responsibilities, authority or duties; (ii) the assignment of duties to the Officer that are materially inconsistent with their position; (iii) a decrease of more than 10% of the Officer's Base Salary except for across-the-board salary reductions based on the Company's financial performance similarly affecting all officers of the Company; (iv) if the Officer principally performs their duties at a Company location, a change by the Company in the Company location at which the Officer principally performs their duties to a location that is more than 50 miles (driving distance) from the original location; or (v) the material breach of this Agreement by the Company. "Good Reason Process" shall mean that (i) the Officer reasonably determines in good faith that a "Good Reason" condition has occurred; (ii) the Officer notifies

the Company in writing of the first occurrence of the Good Reason condition within 30 days of the first occurrence of such condition; (iii) the Officer cooperates in good faith with the Company's efforts, for a period of 30 days following such notice (the "Cure Period"), to remedy the condition; (iv) notwithstanding such efforts, the Good Reason condition continues to exist; and (v) the Officer terminates their employment within 30 days after the end of the Cure Period. If the Company cures the Good Reason condition during the Cure Period, Good Reason shall be deemed not to have occurred.

d. Death. The Officer's employment hereunder shall terminate upon their death.

e. Disability. The Company may terminate the Officer's employment if they are disabled and unable to perform the essential functions of the Officer's then existing position or positions under this Agreement with or without reasonable accommodation for a period of 180 days (which need not be consecutive) in any 12-month period and the Company shall provide a Notice of Termination at that time. If any question shall arise as to whether during any period the Officer is disabled so as to be unable to perform the essential functions of the Officer's then existing position or positions with or without reasonable accommodation, the Officer may, and at the request of the Company shall, submit to the Company a certification in reasonable detail by a physician selected by the Company to whom the Officer or the Officer's guardian has no reasonable objection as to whether the Officer is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. The Officer shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Officer shall fail to submit such certification, the Company's determination of such issue shall be binding on the Officer. Nothing in this Section 3(b) shall be construed to waive the Officer's rights, if any, under existing federal and state law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601, et seq. and the Americans with Disabilities Act, 42 U.S.C. §12101, et seq.

f. Notice of Termination. Except for termination as specified in Section 3(d), any termination of the Officer's employment by the Company or any such termination by the Officer shall be communicated by written Notice of Termination to the other party hereto. For purposes of this Agreement, a "Notice of Termination" shall mean a written notice which shall indicate the specific termination provision in this Agreement relied upon.

g. Date of Termination. "Date of Termination" shall mean: (i) if the Officer's employment is terminated by the Company for Cause under Section 3(a) or without Cause under Section 3(b) or on account of disability under Section 3(e), the date on which Notice of Termination is given; (ii) if the Officer's employment is terminated by the Officer under Section 3(c) without Good Reason, 30 days after the date on which a Notice of Termination is given; (iii) if the Officer's employment is terminated by the Officer under Section 3(c) with Good Reason, the date on which a Notice of Termination is given after the end of the Cure Period; and (iv) if the Officer's employment is terminated by their death, the date of their death. Notwithstanding the foregoing, in the event that the Officer gives a Notice of Termination to the Company under Section 3(c), the Company may unilaterally and solely at its own discretion

accelerate the Date of Termination and such acceleration shall not result in a termination by the Company for purposes of this Agreement; provided, however, that in no event shall such accelerated Date of Termination be earlier than the date on which the Notice of Termination is delivered to the Company.

**4. Compensation Upon Termination**.

a. Termination Generally. If the Officer's employment with the Company is terminated for any reason, the Company shall pay or provide to the Officer (or to their authorized representative or estate) (i) any Base Salary earned through the Date of Termination, unpaid expense reimbursements in accordance with Company policy, and unused vacation that accrued through the Date of Termination on or before the time required by law but in no event more than 30 days after the Officer's Date of Termination; and (ii) any vested benefits the Officer may have under any employee benefit plan of the Company through the Date of Termination, which vested benefits shall be paid and/or provided in accordance with the terms of such employee benefit plans (collectively, the "Accrued Benefit").

b. Termination by the Company Without Cause or by the Officer with Good Reason. During the Term, if the Officer's employment is terminated by the Company without Cause as provided in Section 3(b), or the Officer terminates their employment for Good Reason as provided in Section 3(c), then the Company shall provide the Officer with the Accrued Benefit and the compensation and benefits set forth in this Section 4(b), the latter subject to the Officer signing a separation agreement containing, among other provisions, a general release of claims in favor of the Company and related persons and entities, confidentiality, return of property, and non-disparagement, in a form and manner satisfactory to the Company (the "Separation Agreement and Release") and the Separation Agreement and Release becoming fully effective, all within the time frame set forth in the Separation Agreement and Release: (i) the Company shall pay the Officer an amount equal to 9 months of the Officer's Base Salary (the "Severance Amount"); (ii) if the Officer (and their dependents, if applicable) was participating in the Company's group health plans immediately prior to the Date of Termination and the Officer elects COBRA health continuation for their self (and their dependents, if applicable), then the Company shall pay for 9 months or the Officer's COBRA health continuation period, whichever ends earlier, the COBRA health contribution that the Company would have made to provide health insurance to the Officer (and their dependents, if applicable) if the Officer had remained employed by the Company; provided, however, that the Company shall only be required to pay that percentage of dependent health insurance that the Company would be paying if the Officer had remained employed by the Company; and (iii) the amounts payable under Sections 4(b)(i) and (ii) shall be paid out in substantially equal installments in accordance with the Company's payroll practice over 9 months commencing on the first regularly scheduled payroll date that is at least 30 days after the Date of Termination, provided that the Separation Agreement and Release becomes fully effective; provided, however, that the initial payment shall include a catch-up payment to cover amounts retroactive to the day immediately following the Date of Termination. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2).

c. Change in Control. During the Term, if within 12 months after a Change in Control as defined herein, or within three months prior to a 409A Change in Control as defined herein, the Officer's employment is terminated by the Company without Cause as provided in Section 3(b) or the Officer terminates their employment for Good Reason as provided in Section 3(c), then, subject to the signing of the Separation Agreement and Release by the Officer and the Separation Agreement and Release becoming fully effective all within the time frame set forth in the Separation Agreement and Release, the Officer shall receive the benefits set forth in Section 4(b)(i) and (ii), and 100% of the Officer's then unvested stock options and time-based restricted stock shall become immediately vested; provided, however, that the number of months of base salary and benefits continuation in Sections 4(b)(i) and (ii) shall be increased to 12 months and the Officer shall also be provided with one times their target bonus amount for the year in which the Date of Termination occurs, which target bonus amount is payable in a lump sum on the first regularly scheduled payroll date that is at least 30 days following the Date of Termination or, if the Officer's employment was terminated within three months prior to a 409A Change in Control, upon the 409A Change in Control; provided, further that notwithstanding the language in Section 4(b)(iii), if the Change in Control is a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company's assets under Section 409A of the Code (a "409A Change in Control"), then the Severance Amount set forth in Section 4(b)(i) shall be payable as a lump sum on the first regularly scheduled payroll date that is at least 30 days following the Date of Termination, subject to the Separation Agreement and Release having become fully effective (for clarity, the COBRA payments set forth in Section 4(b)(ii) shall be paid in accordance with Section 4(b)(iii)) or, if the Officer's employment was terminated within three months prior to a 409A Change in Control, upon the 409A Change in Control. For purposes of this Section 4(c), "Change in Control" shall mean any of the following: (i) any "person," as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Act") (other than the Company, any of its subsidiaries, or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Company or any of its subsidiaries), together with all "affiliates" and "associates" (as such terms are defined in Rule 12b-2 under the Act) of such person, shall become the "beneficial owner" (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities having the right to vote in an election of the Board ("Voting Securities") (in such case other than as a result of an acquisition of securities directly from the Company); or (ii) the date a majority of the members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election; or (iii) the consummation of (A) any consolidation or merger of the Company where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, shares representing in the aggregate more than 50% of the voting shares of the Company issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), or (B) any sale or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company. Notwithstanding the foregoing, a "Change in Control" shall not be deemed to have occurred for purposes of the foregoing clause solely as the result of an acquisition of securities by the

Company that, by reducing the number of shares of Voting Securities outstanding, increases the proportionate number of Voting Securities beneficially owned by any person to 50% or more of the combined voting power of all of the then outstanding Voting Securities; provided, however, that if any person referred to in this sentence shall thereafter become the beneficial owner of any additional shares of Voting Securities (other than pursuant to a stock split, stock dividend, or similar transaction or as a result of an acquisition of securities directly from the Company) and immediately thereafter beneficially owns 50% or more of the combined voting power of all of the then outstanding Voting Securities, then a "Change in Control" shall be deemed to have occurred.

**5. Additional Limitations and Section 409A**.

a. Additional Limitations. Notwithstanding anything to the contrary in this Agreement, in the event that the amount of any compensation, payment or distribution by the Company to or for the benefit of the Officer, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, calculated in a manner consistent with Section 280G of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations thereunder (the "Aggregate Payments"), would be subject to the excise tax imposed by Section 4999 of the Code, then the Aggregate Payments shall be reduced (but not below zero) so that the sum of all of the Aggregate Payments shall be $1.00 less than the amount at which the Officer becomes subject to the excise tax imposed by Section 4999 of the Code; provided that such reduction shall only occur if it would result in the Officer receiving a higher After Tax Amount (as defined below) than the Officer would receive if the Aggregate Payments were not subject to such reduction. In such event, the Aggregate Payments shall be reduced in the following order, in each case, in reverse chronological order beginning with the Aggregate Payments that are to be paid the furthest in time from consummation of the transaction that is subject to Section 280G of the Code: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits; provided that in the case of all the foregoing Aggregate Payments all amounts or payments that are not subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c) shall be reduced before any amounts that are subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c). For purposes of this Section 5(a), the "After Tax Amount" means the amount of the Aggregate Payments less all federal, state, and local income, excise and employment taxes imposed on the Officer as a result of the Officer's receipt of the Aggregate Payments. For purposes of determining the After Tax Amount, the Officer shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in each applicable state and locality, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. The determination as to whether a reduction in the Aggregate Payments shall be made pursuant to Section 5(b)(i) shall be made by a nationally recognized accounting firm selected by the Company (the "Accounting Firm"), which shall provide detailed supporting calculations both to the Company and the Officer within 15 business days of the Date of Termination, if applicable, or at such

earlier time as is reasonably requested by the Company or the Officer. Any determination by the Accounting Firm shall be binding upon the Company and the Officer.

b. Section 409A. Notwithstanding anything to the contrary in this Agreement, if at the time of the Officer's separation from service within the meaning of Section 409A of the Code, the Company determines that the Officer is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Officer becomes entitled to under this Agreement on account of the Officer's separation from service would be considered deferred compensation otherwise subject to the 20% additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) 6 months and one day after the Officer's separation from service or (B) the Officer's death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule. All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by the Company or incurred by the Officer during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year (except for any lifetime or other aggregate limitation applicable to medical expenses). Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit. To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Officer's termination of employment, then such payments or benefits shall be payable only upon the Officer's "separation from service." The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h). The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party. The Company makes no representation or warranty and shall have no liability to the Officer or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section 409A.

**6. Litigation and Regulatory Cooperation**. During and after the Term, the Officer shall cooperate fully with the Company in the defense or prosecution of any claims or actions now in

existence or which may be brought in the future against or on behalf of the Company that relate to events or occurrences that transpired while the Officer was employed by the Company. The Officer's full cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company at mutually convenient times. During and after the Term, the Officer also shall cooperate fully with the Company in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Officer was employed by the Company. The Company shall reimburse the Officer for any reasonable out-of-pocket expenses incurred in connection with the Officer's performance of obligations pursuant to this Section 6 and, after their employment with the Company terminates, the Officer may be entitled for reasonable compensation for their time. For the avoidance of doubt, nothing in this Agreement shall be interpreted or applied to prohibit the Officer from making any good faith report to any governmental agency or other governmental entity concerning any act or omission that the Officer reasonably believes constitutes a possible violation of federal or state law or making other disclosures that are protected under the anti-retaliation or whistleblower provisions of applicable federal or state law or regulation.

**7.** **Relief**. The Officer agrees that it would be difficult to measure any damages caused to the Company which might result from any breach by the Officer of this Agreement, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, the Officer agrees that if the Officer breaches, or proposes to breach, this Agreement, the Company shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Company. In addition, in the event the Officer breaches the Confidential Information and Invention Assignment Agreement, effective as of [Date], by and between the Company and the Officer ("CIIA"), during a period when they are receiving severance payments pursuant to Section 4(b) or (c), the Company shall have the right to suspend or terminate such severance payments. Such suspension or termination shall not limit the Company's other options with respect to relief for such breach and shall not relieve the Officer of their duties under this Agreement.

**8.** **Governing Law and Jurisdiction**. This Agreement shall be governed by the laws of the State of California, and the parties hereby consent to the jurisdiction of the state and federal courts in the State of California.

**9.** **Integration**. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties concerning such subject matter, with the sole exception of the CIIA and the Indemnification Agreement, dated [Date], both by and between the Company and the Officer. If there are any conflicts between the terms and conditions of the CIIA and this Agreement, the terms and conditions of this Agreement shall govern.

**10.** **Successor to the Officer**. This Agreement shall inure to the benefit of and be enforceable by the Officer's personal representatives, executors, administrators, heirs,

distributees, devisees and legatees. In the event of the Officer's death after their termination of employment but prior to the completion by the Company of all payments due them under this Agreement, the Company shall continue such payments to the Officer's beneficiary designated in writing to the Company prior to their death (or to their estate, if the Officer fails to make such designation).

**11.** **Enforceability**. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

**12.** **Survival**. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Officer's employment to the extent necessary to effectuate the terms contained herein.

**13.** **Waiver**. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

**14.** **Notices**. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Officer at the last address the Officer has filed in writing with the Company or, in the case of the Company, at the address set forth above to the President and Chief Executive Officer with a copy to legalnotices@caribou bio.com; provided that if the Officer providing notice is the President and Chief Executive Officer, they are not required to provide notice to themself but instead shall provide written notice to the Chief Legal Officer.

**15.** **Amendment**. This Agreement may be amended or modified only by a written instrument signed by the Officer and by a duly authorized representative of the Company.

**16.** **Successor to Company**. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company expressly to assume and agree to perform this Agreement to the same extent that the Company would be required to perform it if no succession had taken place. Failure of the Company to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall be a material breach of this Agreement.

**17.** **Counterparts**. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**Caribou Biosciences, Inc.**

By: /s/ Rachel E Haurwitz
Name: Rachel E. Haurwitz, PhD
Title: President and CEO

**Tina Albertson, MD, PhD**

By: /s/ Tina Albertson

**Exhibit 31.1**

**CERTIFICATION PURSUANT TO**
**RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,**
**AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Rachel E. Haurwitz, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended September 30, 2024 of Caribou Biosciences, Inc.;

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

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

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

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

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

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

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

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

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

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

Date: November 6, 2024

By: /s/ Rachel E. Haurwitz

**Rachel E. Haurwitz**

**President and Chief Executive Officer**
(Principal Executive Officer)

**Exhibit 31.2**

**CERTIFICATION PURSUANT TO**
**RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,**
**AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Ryan Fischesser, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended September 30, 2024 of Caribou Biosciences, Inc.;

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

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

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

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

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

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

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

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

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

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

Date: November 6, 2024

By: /s/ Ryan Fischesser

**Ryan Fischesser**

**Vice President of Finance and Controller**
(Principal Financial Officer and Principal Accounting 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 of Caribou Biosciences, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 6, 2024

By: /s/ Rachel E. Haurwitz

**Rachel E. Haurwitz**
**President and Chief Executive Officer**
(Principal Executive Officer)

**Exhibit 32.2**

**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 of Caribou Biosciences, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 6, 2024

By: /s/ Ryan Fischesser

**Ryan Fischesser**
**Vice President of Finance and Controller**
(Principal Financial Officer and Principal Accounting Officer)