
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

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

For the quarterly period ended June 30, 2021

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: 001-38796

GOSSAMER BIO, INC.

(Exact name of Registrant as specified in its charter).

Delaware
(State or other jurisdiction of
incorporation or organization)

47-5461709
(I.R.S. Employer
Identification No.)

3013 Science Park Road San Diego California
(Address of principal executive offices)

92121
(Zip Code)

Registrant's telephone number, including area code: (858) 684-1300

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.0001 par value per share	GOSS	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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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 August 5, 2021, the registrant had 75,993,532 shares of common stock (\$0.0001 par value) outstanding.

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PART I. FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

GOSSAMER BIO, INC.

Condensed Consolidated Balance Sheets

(Unaudited)

(in thousands, except share and par value amounts)

	June 30, 2021	December 31, 2020
ASSETS		
Current assets		
Cash and cash equivalents	\$ 342,453	\$ 486,055
Marketable securities	63,466	26,573
Restricted cash	566	565
Prepaid expenses and other current assets	10,502	9,129
Total current assets	416,987	522,322
Property and equipment, net	5,632	5,534
Operating lease right-of-use assets	8,821	10,550
Other assets	1,070	1,027
Total assets	\$ 432,510	\$ 539,433
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	895	7,508
Accrued research and development expenses	13,206	10,431
Accrued expenses and other current liabilities	15,881	20,711
Total current liabilities	29,982	38,650
Long-term convertible senior notes	146,765	143,642
Long-term debt	28,905	28,744
Operating lease liabilities - long-term	6,165	7,713
Total liabilities	211,817	218,749
Commitments and contingencies		
Stockholders' equity		
Preferred stock, \$0.0001 par value; 70,000,000 shares authorized; no shares issued or outstanding as of June 30, 2021 and December 31, 2020	—	—
Common stock, \$0.0001 par value; 700,000,000 shares authorized as of June 30, 2021 and December 31, 2020; 75,988,241 shares issued and 74,834,952 shares outstanding as of June 30, 2021, and 75,524,254 shares issued and 73,874,904 shares outstanding as of December 31, 2020	8	8
Additional paid-in capital	915,414	897,607
Accumulated deficit	(695,003)	(577,530)
Accumulated other comprehensive income	274	599
Total stockholders' equity	220,693	320,684
Total liabilities and stockholders' equity	\$ 432,510	\$ 539,433

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

GOSSAMER BIO, INC.
Condensed Consolidated Statements of Operations and Comprehensive Loss
(Unaudited)
(in thousands, except share and per share amounts)

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Operating expenses:				
Research and development	\$ 44,318	\$ 38,684	\$ 86,145	\$ 80,098
In process research and development	15	15,000	45	17,805
General and administrative	11,263	11,655	22,609	22,403
Total operating expenses	55,596	65,339	108,799	120,306
Loss from operations	(55,596)	(65,339)	(108,799)	(120,306)
Other income (expense), net				
Interest income	141	898	334	2,496
Interest expense	(4,834)	(2,491)	(9,614)	(3,198)
Other income	457	62	606	64
Total other expense, net	(4,236)	(1,531)	(8,674)	(638)
Net loss	\$ (59,832)	\$ (66,870)	\$ (117,473)	\$ (120,944)
Other comprehensive income (loss):				
Foreign currency translation, net of tax	162	78	(210)	(9)
Unrealized gain (loss) on marketable securities, net of tax	(46)	994	(115)	318
Other comprehensive income (loss)	116	1,072	(325)	309
Comprehensive loss	(59,716)	(65,798)	(117,798)	(120,635)
Net loss per share, basic and diluted	\$ (0.80)	\$ (1.00)	\$ (1.58)	\$ (1.88)
Weighted average common shares outstanding, basic and diluted	74,672,882	66,599,915	74,384,805	64,245,119

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

GOSSAMER BIO, INC.
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)
(in thousands, except share amounts)

	Common stock		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive income (loss)	Total stockholders' equity
	Shares	Amount				
Balance as of December 31, 2020	73,874,904	\$ 8	\$ 897,607	\$ (577,530)	\$ 599	\$ 320,684
Vesting of restricted stock	238,962	—	—	—	—	—
Exercise of stock options	5,721	—	15	—	—	15
Stock-based compensation	—	—	8,708	—	—	8,708
Issuance of common stock pursuant to Employee Stock Purchase Plan	95,004	—	759	—	—	759
Issuance of common stock for restricted stock units vested	278,559	—	—	—	—	—
Net loss	—	—	—	(57,641)	—	(57,641)
Other comprehensive loss	—	—	—	—	(441)	(441)
Balance as of March 31, 2021	<u>74,493,150</u>	<u>\$ 8</u>	<u>\$ 907,089</u>	<u>\$ (635,171)</u>	<u>\$ 158</u>	<u>\$ 272,084</u>
Vesting of restricted stock	231,710	—	—	—	—	—
Exercise of stock options	103,922	—	271	—	—	271
Stock-based compensation	—	—	8,054	—	—	8,054
Issuance of common stock for restricted stock units vested	6,170	—	—	—	—	—
Net loss	—	—	—	(59,832)	—	(59,832)
Other comprehensive income	—	—	—	—	116	116
Balance as of June 30, 2021	<u>74,834,952</u>	<u>\$ 8</u>	<u>\$ 915,414</u>	<u>\$ (695,003)</u>	<u>\$ 274</u>	<u>\$ 220,693</u>

	Common stock		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive income (loss)	Total stockholders' equity
	Shares	Amount				
Balance as of December 31, 2019	61,635,477	\$ 7	\$ 686,390	\$ (334,170)	\$ 258	\$ 352,485
Vesting of restricted stock	404,637	—	—	—	—	—
Exercise of stock options	4,309	—	15	—	—	15
Stock-based compensation	—	—	8,244	—	—	8,244
Issuance of common stock pursuant to Employee Stock Purchase Plan	49,889	—	556	—	—	556
Net loss	—	—	—	(54,074)	—	(54,074)
Other comprehensive loss	—	—	—	—	(763)	(763)
Balance as of March 31, 2020	<u>62,094,312</u>	<u>\$ 7</u>	<u>\$ 695,205</u>	<u>\$ (388,244)</u>	<u>\$ (505)</u>	<u>\$ 306,463</u>
Issuance of common stock in connection with public offering, net of underwriting discounts, commissions, and offering costs	9,433,963	1	117,093	—	—	117,094
Equity component of convertible note issuance	—	—	53,635	—	—	53,635
Debt issuance costs attributable to convertible feature	—	—	(109)	—	—	(109)
Vesting of restricted stock	404,637	—	—	—	—	—
Exercise of stock options	39,698	—	139	—	—	139
Stock-based compensation	—	—	8,900	—	—	8,900
Net loss	—	—	—	(66,870)	—	(66,870)
Other comprehensive income	—	—	—	—	1,072	1,072
Balance as of June 30, 2020	<u>71,972,610</u>	<u>\$ 8</u>	<u>\$ 874,863</u>	<u>\$ (455,114)</u>	<u>\$ 567</u>	<u>\$ 420,324</u>

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

GOSSAMER BIO, INC.
Condensed Consolidated Statements of Cash Flows
(Unaudited)
(in thousands)

	Six months ended June 30,	
	2021	2020
Cash flows from operating activities		
Net loss	\$ (117,473)	\$ (120,944)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	842	679
Stock-based compensation expense	16,762	17,144
In process research and development expenses	45	17,805
Amortization of operating lease right-of-use assets	1,729	1,203
Amortization of debt discount and issuance costs	3,284	823
Amortization of premium on investments, net of accretion of discounts	115	(33)
Net realized gain on investments	—	(253)
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(1,373)	(548)
Other assets	(43)	932
Operating lease liabilities	(1,778)	(715)
Accounts payable	(6,631)	(727)
Accrued expenses	(342)	(982)
Accrued research and development expenses	2,775	(6,103)
Accrued compensation and benefits	(4,258)	(2,975)
Net cash used in operating activities	(106,346)	(94,694)
Cash flows from investing activities		
Research and development asset acquisitions, net of cash acquired	(45)	(17,805)
Purchase of marketable securities	(49,923)	(73,777)
Maturities of marketable securities	12,800	143,304
Sales of marketable securities	—	83,515
Purchase of property and equipment	(940)	(954)
Net cash provided by (used in) investing activities	(38,108)	134,283
Cash flows from financing activities		
Proceeds from issuance of common stock in a public offering, net	—	117,094
Proceeds from issuance of convertible debt, net	—	193,596
Purchase of shares pursuant to Employee Stock Purchase Plan	759	556
Proceeds from the exercise of stock options	286	154
Net cash provided by financing activities	1,045	311,400
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(192)	(16)
Net increase (decrease) in cash, cash equivalents and restricted cash	(143,601)	350,973
Cash, cash equivalents and restricted cash, at the beginning of the period	486,620	135,089
Cash, cash equivalents and restricted cash, at the end of the period	\$ 343,019	\$ 486,062
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 6,365	\$ 1,243
Supplemental disclosure of noncash investing and financing activities:		
Right-of-use assets obtained in exchange for lease liabilities	\$ —	\$ 1,192
Change in unrealized gain (loss) on marketable securities, net of tax	\$ (115)	\$ 318
Unpaid property and equipment	\$ —	\$ 57

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

GOSSAMER BIO, INC.
Notes to Unaudited Condensed Consolidated Financial Statements

1. Description of the Business

Gossamer Bio, Inc. (including its subsidiaries, referred to as “we,” “us,” “our,” or the “Company”) is a clinical-stage biopharmaceutical company focused on discovering, acquiring, developing and commercializing therapeutics in the disease areas of immunology, inflammation and oncology. The Company was incorporated in the state of Delaware on October 25, 2015 (originally as FSG Bio, Inc.) and is based in San Diego, California.

The condensed consolidated financial statements include the accounts of Gossamer Bio, Inc. and its wholly owned subsidiaries. All intercompany balances and transactions among the consolidated entity have been eliminated in consolidation.

Liquidity and Capital Resources

The Company has incurred significant operating losses since its inception. As of June 30, 2021, the Company had an accumulated deficit of \$695.0 million. From the Company’s inception through June 30, 2021, the Company has funded its operations primarily through equity and debt financings. The Company raised \$942.0 million from October 2017 through June 30, 2021 through Series A and Series B convertible preferred stock financings, a convertible note financing, its initial public offering, or IPO, its Credit Facility (as defined in Note 5 below), and concurrent underwritten public offerings of its 5.00% convertible senior notes due 2027 (the “2027 Notes”) and common stock in May 2020. See Note 5 for additional information regarding the Credit Facility and the 2027 Notes. In addition, the Company received \$12.8 million in cash in connection with the January 2018 acquisition of AA Biopharma Inc.

The Company expects to continue to incur significant operating losses for the foreseeable future and may never become profitable. As a result, the Company will need to raise capital through equity offerings, debt financings and other capital sources, including potential collaborations, licenses and other similar arrangements. Management believes that it has sufficient working capital on hand to fund operations through at least the next twelve months from the date these condensed consolidated financial statements were available to be issued. There can be no assurance that the Company will be successful in acquiring additional funding, that the Company’s projections of its future working capital needs will prove accurate, or that any additional funding would be sufficient to continue operations in future years.

COVID-19

The COVID-19 pandemic has caused significant business disruption around the globe. The extent of the impact of COVID-19 on the Company’s operational and financial performance will depend on certain developments, including the duration and spread of the pandemic worldwide and the impact on the Company’s clinical trials, employees and vendors. At this point, the degree to which COVID-19 has impacted and may continue to impact the Company’s financial condition or results of operations remains uncertain. A prolonged pandemic could have a material and adverse impact on financial results and business operations of the Company, including the timing and ability of the Company to complete certain clinical trials and other efforts required to advance the development of its product candidates and raise additional capital. For example, certain sites temporarily closed enrollment in the Company’s Phase 1b clinical trial in pulmonary arterial hypertension (“PAH”) in 2020 as a result of the ongoing COVID-19 pandemic. In addition, due to the challenges of enrolling patients worldwide posed by the COVID-19 pandemic, the Company has experienced and may continue to experience delays in enrollment of patients in its Phase 2 clinical trials of GB004 in ulcerative colitis and of seralutinib, also known as GB002, in PAH, as well as delays in reporting data results from its ongoing trials.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and with the instructions of the Securities and Exchange Commission ("SEC") on Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and disclosures required by GAAP for complete financial statements. In the opinion of management, the condensed consolidated financial statements include all adjustments necessary, which are of a normal and recurring nature, for the fair presentation of the Company's financial position and of the results of operations and cash flows for the periods presented. These financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2020 included in the Company's Annual Report on Form 10-K filed with the SEC on February 26, 2021. The results of operations for the interim period shown in this report are not necessarily indicative of the results that may be expected for any other interim period or for the full year. The balance sheet at December 31, 2020, has been derived from the audited financial statements at that date.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of expenses during the reporting period. The most significant estimates in the Company's condensed consolidated financial statements relate to the allocation of the 2027 Notes into liability and equity components and accrued research and development expenses. These estimates and assumptions are based on current facts, historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of expenses that are not readily apparent from other sources. Actual results could differ from those estimates.

Recent Accounting Pronouncements

In August 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-06, Debt: Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging - Contracts in Entity's Own Equity (Subtopic 815-40) ("ASU 2020-06"), which simplifies the accounting for convertible instruments and contracts in an entity's own equity. This guidance is effective for annual reporting periods beginning after December 15, 2021, including interim periods within those years, with early adoption permitted only as of annual reporting periods beginning after December 15, 2020. The Company is currently assessing the impact this standard will have on its consolidated financial statements or related financial statement disclosures.

Net Loss Per Share

Basic net loss per share of common stock is computed by dividing net loss attributable to common stockholders by the weighted average number of shares of common stock outstanding for the period. The Company uses the if-converted method for assumed conversion of the 2027 Notes to compute the weighted average shares of common stock outstanding for diluted net loss per share. Diluted net loss per share excludes the potential impact of the Company's common stock options and unvested shares of restricted stock and the potential shares issuable upon conversion of the 2027 Notes because their effect would be anti-dilutive due to the Company's net loss. Since the Company had a net loss in each of the periods presented, basic and diluted net loss per common share are the same.

The table below provides potentially dilutive securities not included in the calculation of the diluted net loss per share because to do so would be anti-dilutive:

	As of June 30,	
	2021	2020
2027 Notes	12,321,900	12,321,900
Shares issuable upon exercise of stock options	10,435,930	9,863,703
Non-vested shares under restricted stock grants	3,385,821	4,964,544

3. Balance Sheet Accounts and Supplemental Disclosures

Property and Equipment

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

	Estimated Useful Life (in years)	June 30, 2021	December 31, 2020
Office equipment	3-7	\$ 1,153	\$ 1,153
Computer equipment	5	123	123
Software	3	130	116
Lab equipment	2-5	5,122	4,210
Leasehold improvements	6-7	2,562	2,540
Construction in process	N/A	7	15
Total property and equipment		9,097	8,157
Less: accumulated depreciation		3,465	2,623
Property and equipment, net		\$ 5,632	\$ 5,534

Accrued Expenses and Other Current Liabilities

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

	As of	June 30, 2021	December 31, 2020
Accrued compensation		\$ 8,695	\$ 12,194
Operating lease liabilities, current		3,403	3,633
Accrued professional service fees		2,074	2,823
Accrued interest, current		1,058	1,094
Accrued other		621	742
Accrued in process research and development		30	225
Total accrued expenses		\$ 15,881	\$ 20,711

4. Fair Value Measurements and Available for Sale Investments

Fair Value Measurements

The accounting guidance defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or nonrecurring basis. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets;

Level 2: Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company classifies its cash equivalents and available-for-sale investments within Level 1 or Level 2. The fair value of the Company's investment grade corporate debt securities and commercial paper is determined using proprietary valuation models and analytical tools, which utilize market pricing or prices for similar instruments that are both objective and publicly available, such as matrix pricing or reported trades, benchmark yields, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, and offers.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following table presents the hierarchy for assets measured at fair value on a recurring basis as of June 30, 2021 and December 31, 2020 (in thousands):

	Fair Value Measurements at End of Period Using:			
	Total Fair Value	Quoted Market Prices for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of June 30, 2021				
Money market funds	\$ 293,231	\$ 293,231	\$ —	\$ —
Commercial paper	59,922	—	59,922	—
Corporate debt securities	13,542	—	13,542	—
As of December 31, 2020				
Money market funds	\$ 411,104	\$ 411,104	\$ —	\$ —
U.S. Treasury and agency securities	18,280	18,280	—	—
Corporate debt securities	26,573	—	26,573	—

The Company did not reclassify any investments between levels in the fair value hierarchy during the periods presented.

Fair Value of Other Financial Instruments

As of June 30, 2021 and December 31, 2020, the carrying amounts of the Company's financial instruments, which include cash, interest receivable, accounts payable and accrued expenses, approximate fair values because of their short maturities.

Interest receivable as of June 30, 2021 and December 31, 2020, was \$0.1 million and \$0.2 million, respectively, and is recorded as a component of prepaid expenses and other current assets on the condensed consolidated balance sheets.

The Company believes that its Credit Facility bears interest at a rate that approximates prevailing market rates for instruments with similar characteristics and, accordingly, the carrying value of the Credit Facility approximates fair value. The Company estimates the fair value of long-term debt utilizing an income approach. The Company uses a present value calculation to discount principal and interest payments and the final maturity payment on these liabilities using a discounted cash flow model based on observable inputs. The debt instrument is then discounted based on what the current market rates would be as of the reporting date. Based on the assumptions used to value these liabilities at fair value, the debt instrument is categorized as Level 2 in the fair value hierarchy.

As of June 30, 2021, the fair value of the Company's 2027 Notes was \$165.0 million. The fair value was determined on the basis of market prices observable for similar instruments and is considered Level 2 in the fair value hierarchy (see Note 5).

Available for Sale Investments

The Company invests its excess cash in U.S. Treasury and agency securities and debt instruments of corporations and commercial obligations, which are classified as available-for-sale investments. These investments are carried at fair value and are included in the tables below. The Company evaluates securities with unrealized losses to determine whether such losses, if any, are due to credit-related factors. Realized gains and losses are calculated using the specific identification method and recorded as interest income or expense. The Company does not generally intend to sell the investments and it is not more likely than not that the Company will be required to sell the investments before recovery of their amortized cost bases, which may be at maturity.

The aggregate market value, cost basis, and gross unrealized gains and losses of available-for-sale investments by security type, classified in marketable securities and long-term investments as of June 30, 2021 are as follows (in thousands):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Total Fair Value
Marketable securities				
Commercial paper	\$ 49,924	\$ —	\$ —	\$ 49,924
Corporate debt securities	13,480	62	—	13,542
Total marketable securities	\$ 63,404	\$ 62	\$ —	\$ 63,466

At each reporting date, the Company performs an evaluation of impairment to determine if any unrealized losses are due to credit-related factors. The Company records an allowance for credit losses when unrealized losses are due to credit-related factors. Factors considered when evaluating available-for-sale investments for impairment include the severity of the impairment, changes in underlying credit ratings, the financial condition of the issuer, the probability that the scheduled cash payments will continue to be made and the Company's intent and ability to hold the investment until recovery of the amortized cost basis. The Company intends and has the ability to hold its investments in unrealized loss positions until their amortized cost basis has been recovered. As of June 30, 2021, there were no material declines in the market value of the Company's available-for-sale investments due to credit-related factors.

Contractual maturities of available-for-sale debt securities, as of June 30, 2021, were as follows (in thousands):

	Estimated Fair Value
Due within one year	\$ 63,466
One to two years	—
Total	\$ 63,466

The Company has the ability, if necessary, to liquidate any of its cash equivalents and marketable securities to meet its liquidity needs in the next 12 months. Accordingly, those investments with contractual maturities greater than one year from the date of purchase are classified as current assets on the accompanying condensed consolidated balance sheets.

5. Indebtedness

Credit Facility

On May 2, 2019, the Company entered into a credit, guaranty and security agreement, as amended on September 18, 2019 and July 2, 2020 (the "Credit Facility"), with MidCap Financial Trust ("MidCap"), as agent and lender, and the additional lenders party thereto from time to time (together with MidCap, the "Lenders"), pursuant to which the Lenders, including affiliates of MidCap and Silicon Valley Bank, agreed to make term loans available to the Company for working capital and general business purposes, in a principal amount of up to \$150.0 million in term loan commitments, including a \$30.0 million term loan that was funded at the closing date, with the ability to access the remaining \$120.0 million in two additional tranches (each \$60.0 million), subject to specified availability periods, the achievement of certain clinical development milestones, minimum cash requirements and other customary conditions. The Company, GB001, Inc., GB002, Inc., and GB004, Inc., each wholly-owned subsidiaries of the Company, are designated as co-borrowers to the Credit Facility, whereas GB003, Inc., GB005, Inc., GB006, Inc., GB007, Inc., GB008, Inc. and Gossamer Bio Services, Inc., each wholly-owned subsidiaries of the Company, are designated as guarantors. The remaining two tranches are available no earlier than the satisfaction of the applicable funding conditions, including the applicable clinical development milestones, and no later than December 31, 2022. As of June 30, 2021, no other tranches under the Credit Facility were available to be drawn. The Credit Facility is secured by substantially all of the Company's and its domestic subsidiaries' personal property, including intellectual property.

Each term loan under the Credit Facility bears interest at an annual rate equal to the sum of (i) one-month LIBOR (customarily defined, with a change to prime rate if LIBOR funding becomes unlawful or impractical) plus (ii) 7.00%, subject to a LIBOR floor of 2.00%. The borrower is required to make interest-only payments on the term loan for all payment dates prior to July 1, 2022. The term loans under the Credit Facility will begin amortizing on July 1, 2022, with equal monthly payments of principal plus interest being made by the Company to the Lenders in consecutive monthly installments following such interest-only period until the Credit Facility matures on January 1, 2025. Upon final repayment of the term loans, the borrower must pay an exit fee of 1.75% of the amount borrowed under the Credit Facility, less any partial exit fees previously paid. Upon partial prepayment of a portion of the term loans, the borrower must pay a partial exit fee of 1.75% of the principal

being prepaid. At the borrower's option, the borrower may prepay the outstanding principal balance of the term loan in whole or in part, subject to a prepayment fee of 3.00% of any amount prepaid if the prepayment occurs through and including the first anniversary of the second amendment effective date, 2.00% of the amount prepaid if the prepayment occurs after the first anniversary of the second amendment effective date through and including the second anniversary of the second amendment effective date, and 1.00% of any amount prepaid after the second anniversary of the second amendment effective date and prior to January 1, 2025.

The Credit Facility includes affirmative and negative covenants applicable to the Company and certain of its subsidiaries. The affirmative covenants include, among others, covenants requiring such entities to maintain their legal existence and governmental approvals, deliver certain financial reports, maintain insurance coverage, maintain property, pay taxes, satisfy certain requirements regarding accounts and comply with laws and regulations. The negative covenants include, among others, restrictions on such entities from transferring collateral, incurring additional indebtedness, engaging in mergers or acquisitions, paying dividends or making other distributions, making investments, creating liens, amending material agreements and organizational documents, selling assets and suffering a change in control, in each case subject to certain exceptions. The Company and certain of its subsidiaries are also subject to an ongoing minimum cash financial covenant in which they must maintain unrestricted cash in an amount not less than 25% of the outstanding principal amount of the term loans. As of June 30, 2021, the Company was in compliance with these covenants.

The Credit Facility also includes events of default, the occurrence and continuation of which could cause interest to be charged at the rate that is otherwise applicable plus 3.00% and would provide MidCap, as agent, with the right to exercise remedies against the Company and/or certain of its subsidiaries, and the collateral securing the Credit Facility, including foreclosure against the properties securing the credit facilities, including cash. These events of default include, among other things, failure to pay any amounts due under the Credit Facility, a breach of covenants under the Credit Facility, insolvency or the occurrence of insolvency events, the occurrence of a change in control, the occurrence of certain U.S. Food and Drug Administration ("FDA") and regulatory events, failure to remain registered with the SEC and listed for trading on Nasdaq, the occurrence of a material adverse change, the occurrence of a default under a material agreement reasonably expected to result in a material adverse change, the occurrence of certain defaults under certain other indebtedness in an amount greater than \$2.5 million and the occurrence of certain defaults under subordinated indebtedness and convertible indebtedness.

Long-term debt as of June 30, 2021 consisted of the following (in thousands):

	June 30, 2021	December 31, 2020
Term loan	\$ 30,000	\$ 30,000
Debt discount and issuance costs	(1,095)	(1,256)
Long-term debt	<u>\$ 28,905</u>	<u>\$ 28,744</u>

The scheduled future minimum principal payments are as follows (in thousands)

	June 30, 2021
2021 (remaining 6 months)	\$ —
2022	5,806
2023	11,613
2024	11,613
2025	968
Total	<u>\$ 30,000</u>

5.00% Convertible Senior Notes due 2027

On May 21, 2020, the Company issued \$200.0 million aggregate principal amount of 5.00% convertible senior notes due 2027 in a public offering. The 2027 Notes were registered pursuant to the Company's Shelf Registration Statement (as defined in Note 7 below). The interest rate on the 2027 Notes is fixed at 5.00% per annum. Interest is payable semi-annually in arrears on June 1 and December 1 of each year, commencing on December 1, 2020. The 2027 Notes will mature on June 1, 2027. The net proceeds from the offering, after deducting the underwriting discounts and commissions and other offering costs, were approximately \$193.6 million. The 2027 Notes may be settled in cash, shares of the Company's common stock, or a combination thereof, solely at the Company's election. The initial conversion rate of the 2027 Notes is 61.6095 shares per \$1,000 principal amount, which is equivalent to a conversion price of approximately \$16.23 per share, subject to adjustments. In addition, following certain corporate events that occur prior to the maturity date or if the Company issues a notice of redemption, the Company will increase the conversion rate for a holder who elects to convert its 2027 Notes in connection with such a corporate event during the related redemption period in certain circumstances.

The 2027 Notes are senior unsecured obligations of the Company, ranking senior in right of payment to any of the Company's indebtedness that is expressly subordinated in right of payment to the 2027 Notes, and are effectively subordinated to the Company's existing and future secured indebtedness, to the extent of the value of the collateral securing that indebtedness, including all indebtedness under the Credit Facility.

Holders may convert their notes at their option only in the following circumstances: (1) during any calendar quarter (and only during such calendar quarter) commencing after the calendar quarter ending on September 30, 2020, if the last reported sale price per share of the Company's common stock exceeds 130% of the conversion price for each of at least 20 trading days (whether or not consecutive) during the 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter; (2) during the five consecutive business days immediately after any 10 consecutive trading day period (such 10 consecutive trading day period, the "measurement period") in which the trading price per \$1,000 principal amount of notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price per share of the Company's common stock on such trading day and the conversion rate on such trading day; (3) upon the occurrence of certain corporate events or distributions on the Company's common stock; (4) if the Company calls such notes for redemption; and (5) at any time from, and including, March 1, 2027 until the close of business on the scheduled trading day immediately before the maturity date.

The Company will not have the right to redeem the 2027 Notes prior to June 6, 2024. On or after June 6, 2024 and on or before the 50th scheduled trading day immediately before the maturity date, the Company may redeem the 2027 Notes, in whole or in part, if the last reported sale price of the Company's common stock has been at least 130% of the conversion price then in effect on (1) each of at least 20 trading days (whether or not consecutive) during the 30 consecutive trading days ending on, and including, the trading day immediately before the date the Company sends the related redemption notice; and (2) the trading day immediately before the date the Company sends such notice. In the case of any optional redemption, the Company will redeem the 2027 Notes at a redemption price equal to 100% of the principal amount of such Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date.

If the Company undergoes a fundamental change prior to the maturity date of the 2027 Notes, holders of the 2027 Notes may require the Company to repurchase for cash all or part of their 2027 Notes at a repurchase price equal to 100% of the principal amount of the 2027 Notes to be repurchased, plus accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

The indenture governing the 2027 Notes provides for customary terms and covenants, including that upon certain events of default, either the trustee or the holders of not less than 25% in aggregate principal amount of the 2027 Notes then outstanding may declare the unpaid principal amount of the 2027 Notes and accrued and unpaid interest, if any, thereon immediately due and payable. As of June 30, 2021, the Company was in compliance with these covenants. In the case of certain events of bankruptcy, insolvency or reorganization, the principal amount of the 2027 Notes together with accrued and unpaid interest, if any, thereon will automatically become and be immediately due and payable.

As of June 30, 2021, there were no events or market conditions that would allow holders to convert the 2027 Notes. At the time the 2027 Notes become convertible within 12 months of the balance sheet date, the carrying value of the 2027 Notes will be reclassified to short-term.

In accounting for the issuance of the 2027 Notes, the Company separated the 2027 Notes into liability and equity components. The carrying amount of the liability component was calculated by measuring the fair value of similar debt instruments that do not have associated convertible features. The carrying amount of the equity component representing the conversion option was \$53.5 million and was determined by deducting the fair value of the liability component from the par

value of the 2027 Notes. The equity component is not remeasured as long as it continues to meet the conditions for equity classification. The debt discount is amortized to interest expense over the term of the 2027 Notes at an effective interest rate of 11.17% over the contractual terms of the 2027 Notes.

In accounting for the debt issuance costs of \$0.4 million related to the 2027 Notes, the Company allocated the total amount incurred to the liability and equity components of the 2027 Notes based on their relative fair values. Issuance costs attributable to the liability component were \$0.3 million and will be amortized to interest expense using the effective interest method over the contractual terms of the 2027 Notes. Issuance costs attributable to the equity component were netted with the equity component in stockholders' equity.

The net carrying amount of the liability component of the 2027 Notes was as follows (in thousands):

	June 30, 2021	December 31, 2020
Principal amount	\$ 200,000	\$ 200,000
Unamortized debt discount	(52,973)	(56,080)
Unamortized debt issuance cost	(262)	(278)
Net carrying amount	<u>\$ 146,765</u>	<u>\$ 143,642</u>

The net carrying amount of the equity component of the 2027 Notes was as follows (in thousands):

	June 30, 2021	December 31, 2020
Debt discount related to the value of conversion option	\$ 53,635	\$ 53,635
Debt issuance cost	(109)	(109)
Net carrying amount	<u>\$ 53,526</u>	<u>\$ 53,526</u>

The following table sets forth the interest expense recognized related to the 2027 Notes (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Contractual interest expense	\$ 2,472	\$ 1,139	\$ 4,972	\$ 1,139
Amortization of debt discount	1,589	642	3,107	642
Amortization of debt issuance cost	8	3	16	3
Total interest expense related to the 2027 Notes	<u>\$ 4,069</u>	<u>\$ 1,784</u>	<u>\$ 8,095</u>	<u>\$ 1,784</u>

6. Licenses, Asset Acquisitions and Contingent Consideration

The following purchased assets were accounted for as asset acquisitions as substantially all of the fair value of the assets acquired were concentrated in a group of similar assets and/or the acquired assets were not capable of producing outputs due to the lack of employees and early stage of development. Because the assets had not yet received regulatory approval, the fair value attributable to these assets was recorded as in process research and development ("IPR&D") expenses in the Company's condensed consolidated statement of operations for the three and six months ended June 30, 2021.

The Company accounts for contingent consideration payable upon achievement of certain regulatory, development or sales milestones in such asset acquisitions when the underlying contingency is met.

License from Pulmokine, Inc. (Seralutinib)

On October 2, 2017, the Company, entered into a license agreement with Pulmokine, Inc. under which it was granted an exclusive worldwide license and sublicense to certain intellectual property rights owned or controlled by Pulmokine to develop and commercialize seralutinib and certain backup compounds for the treatment, prevention and diagnosis of any and all disease or conditions. The Company also has the right to sublicense its rights under the license agreement, subject to certain conditions. The assets acquired are in the early stages of the FDA approval process, and the Company intends to further develop the assets acquired through potential FDA approval as evidenced by the milestone arrangement in the contract. The development activities cannot be performed without significant cost and effort by the Company. The agreement will remain in effect from the effective date, unless terminated earlier, until, on a licensed product-by-licensed product and country-by-country basis, the later of ten years from the date of first commercial sale or when there is no longer a valid patent claim covering such licensed product or specified regulatory exclusivity for the licensed product in such country. The Company is obligated to make future development and regulatory milestone payments of up to \$63.0 million, commercial milestone payments of up to \$45.0 million, and sales

milestone payments of up to \$190.0 million. The Company is also obligated to pay tiered royalties on sales for each licensed product, at percentages ranging from the mid-single digits to the high single-digits. The Company made an upfront payment of \$5.5 million in October 2017. In December 2020, the Company accrued a milestone payment of \$5.0 million in connection with the initiation of the first Phase 2 clinical trial of seralutinib. As of June 30, 2021, no other milestones had been accrued as the underlying contingencies had not yet been met.

License from Aerpio Pharmaceuticals, Inc. (GB004)

On June 24, 2018, the Company entered into a license agreement with Aerpio Pharmaceuticals, Inc. (“Aerpio”) under which the Company was granted an exclusive worldwide license and sublicense to certain intellectual property rights owned or controlled by Aerpio to develop and commercialize GB004, and certain other related compounds for all applications. The Company made an upfront payment of \$20.0 million in June 2018, which represented the purchase consideration for an asset acquisition. On May 11, 2020, the Company entered into an amendment to the license agreement with Aerpio pursuant to which the Company made an upfront payment of \$15.0 million to Aerpio for a reduction in future milestone payments and royalties. Under the amended license agreement, the Company is obligated to make future approval milestone payments of up to \$40.0 million and a sales milestone payment of \$50.0 million. The Company also has the right to sublicense its rights under the license agreement, subject to certain conditions. The Company is also obligated to pay tiered royalties on sales for each licensed product, at percentages ranging from low- to mid-single digits, subject to certain customary reductions. Aerpio retains its twenty percent (20.00%) participation right on a disposition of GB004. As of June 30, 2021, no milestones had been accrued as the underlying contingencies had not yet been met.

Adhaere Pharmaceuticals, Inc. Acquisition (GB1275)

On September 21, 2018, the Company acquired Adhaere Pharmaceuticals, Inc. (“Adhaere”) pursuant to a merger agreement for an upfront payment of \$7.5 million in cash, and with the acquisition acquired the rights to GB1275 and certain backup compounds. The Company is obligated to make future regulatory, development and sales milestone payments of up to \$62.0 million and pay tiered royalties on worldwide net sales, at percentages ranging from low to mid-single digits, subject to customary reductions. The Company recorded IPR&D of \$7.5 million in connection with the acquisition of Adhaere. In May 2019, the Company made a milestone payment of \$1.0 million in connection with the filing of the Investigational New Drug application for the GB1275 program. As of June 30, 2021, no other milestones had been accrued as the underlying contingencies had not yet been met.

The Company recorded the following IPR&D expense on the condensed consolidated statements of operations (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
GB004	—	15,000	—	15,000
Other preclinical programs	15	—	45	2,805
Total in process research and development	\$ 15	\$ 15,000	\$ 45	\$ 17,805

7. Stockholders' Equity

Common stock

Each share of common stock is entitled to one vote. Common stock owners are entitled to dividends when funds are legally available and declared by the Board.

Shelf Registration Statement and Stock Offering

On April 10, 2020, the Company filed a universal shelf registration statement on Form S-3, covering the offering from time to time of common stock, preferred stock, debt securities, warrants and units, which registration statement became automatically effective on April 10, 2020 (the “Shelf Registration Statement”).

On May 21, 2020, the Company completed a public offering of 9,433,963 shares of its common stock at a public offering price of \$13.25 per share. The net proceeds from the offering, after deducting underwriting discounts and commissions and other offering costs, were approximately \$117.1 million. The shares sold in the offering were registered pursuant to the Company’s Shelf Registration Statement.

Shares of Common Stock Subject to Repurchase

On December 3, 2015, the Company issued 9,160,888 shares of common stock as founder shares for services rendered to the Company, valued at \$0.0001 par value per share, for a total of approximately \$4,100 (the "founder shares"). On January 4, 2018, incremental vesting conditions were placed on the previously issued founder shares. Fifty percent of the previously issued founder shares vested on January 4, 2018, and the remaining founder shares are subject to vesting restrictions over a period of five years. These shares are subject to repurchase by the Company upon a founder's termination of employment or service to the Company.

Pursuant to the employment agreements with the Company's founders executed January 4, 2018, the Company provided for certain potential additional issuances of common stock (the "anti-dilution shares") to each of the founders to ensure the total number of shares of common stock held by them and their affiliates (inclusive of any shares subject to equity awards granted by the Company) would represent 15% of the Company's fully-diluted capitalization until such time as the Company raised \$300.0 million in equity capital, including the capital raised in the Series A financing.

In furtherance of this obligation, on May 21, 2018, the Company issued 251,547 shares of common stock to the founders for services rendered to the Company, valued at \$2.61 per share with an additional 251,547 shares of restricted stock subject to the same vesting restrictions and vesting period as the founder shares. In addition, on September 6, 2018, the Company issued 1,795,023 shares of common stock to the founders for services rendered to the Company, valued at \$9.63 per share, with an additional 1,795,023 shares of restricted stock subject to the same vesting restrictions and vesting period as the founder shares.

In November 2017, in connection with the issuance of the Series A convertible preferred stock, certain employees entered into stock restriction agreements, whereby 1,305,427 shares are subject to forfeiture by the Company upon the stockholder's termination of employment or service to the Company.

During the six months ended June 30, 2021, 25,389 shares were forfeited due to termination of employment. For the year ended December 31, 2020, 441,801 shares were forfeited due to termination of employment. Any shares subject to repurchase by the Company are not deemed, for accounting purposes, to be outstanding until those shares vest. As such, the Company recognizes the measurement date fair value of the restricted stock over the vesting period as compensation expense. As of June 30, 2021 and December 31, 2020, 1,153,292 and 1,649,348 shares of common stock were subject to repurchase by the Company, respectively. The unvested stock liability related to these awards is immaterial to all periods presented.

8. Equity Incentive Plans

2019 Equity Incentive Plan

In January 2019, the Company's board of directors and stockholders approved and adopted the 2019 Incentive Award Plan (the "2019 Plan"). The 2019 Plan became effective on February 6, 2019, the day prior to the effectiveness of the registration statement filed in connection with the IPO. Under the 2019 Plan, the Company may grant stock options, stock appreciation rights, restricted stock, restricted stock units, and other stock or cash-based awards to individuals who are then employees, officers, directors or consultants of the Company, and employees and consultants of the Company's subsidiaries. A total of 5,750,000 shares of common stock were approved to be initially reserved for issuance under the 2019 Plan. The number of shares that remained available for issuance under the 2017 Plan (as defined below) as of the effective date of the 2019 Plan were, and shares subject to outstanding awards under the 2017 Plan as of the effective date of the 2019 Plan that are subsequently canceled, forfeited or repurchased by the Company will be, added to the shares reserved under the 2019 Plan. In addition, the number of shares of common stock available for issuance under the 2019 Plan will be automatically increased on the first day of each calendar year during the ten-year term of the 2019 Plan, beginning with January 1, 2020 and ending with January 1, 2029, by an amount equal to 5% of the outstanding number of shares of the Company's common stock on December 31 of the preceding calendar year or such lesser amount as determined by the Company's board of directors. As of June 30, 2021, an aggregate of 2,538,824 shares of common stock were available for issuance under the 2019 Plan and 9,197,388 shares of common stock were subject to outstanding awards under the 2019 Plan.

2019 Employee Stock Purchase Plan

In January 2019, the Company's board of directors and stockholders approved and adopted the 2019 Employee Stock Purchase Plan (the "ESPP"). The ESPP became effective as of February 6, 2019, the day prior to the effectiveness of the registration statement filed in connection with the IPO. The ESPP permits participants to purchase common stock through payroll deductions of up to 20% of their eligible compensation. A total of 700,000 shares of common stock were approved to be initially reserved for issuance under the ESPP. In addition, the number of shares of common stock available for issuance under the ESPP will be automatically increased on the first day of each calendar year during the first ten-years of the term of the ESPP, beginning with January 1, 2020 and ending with January 1, 2029, by an amount equal to 1% of the outstanding number of shares of the Company's common stock on December 31 of the preceding calendar year or such lesser amount as determined by the Company's board of directors. During the six months ended June 30, 2021, 95,004 shares were issued pursuant to the ESPP. As of June 30, 2021, an aggregate of 1,909,793 shares of common stock were available for issuance under the ESPP.

2017 Equity Incentive Plan

The Company's 2017 Equity Incentive Plan (the "2017 Plan") permitted the granting of incentive stock options, non-statutory stock options, restricted stock, restricted stock units and other stock-based awards. Subsequent to the adoption of the 2019 Plan, no additional equity awards can be made under the 2017 Plan. As of June 30, 2021, 3,471,076 shares of common stock were subject to outstanding options under the 2017 Plan, and 104,014 shares of restricted stock awards granted under the 2017 plan were unvested.

Stock Options

The fair value of each employee and non-employee stock option grant is estimated on the date of grant using the Black-Scholes option-pricing model. The Company estimates its expected volatility based on the historical volatility of a publicly traded set of peer companies. Due to the lack of historical exercise history, the expected term of the Company's stock options for employees has been determined utilizing the "simplified" method for awards. The expected term of stock options granted to non-employees is equal to the contractual term of the option award. The risk-free interest rate is determined by reference to the U.S. Treasury yield curve in effect at the time of grant of the award for time periods approximately equal to the expected term of the award. Expected dividend yield is zero based on the fact that the Company has never paid cash dividends and does not expect to pay any cash dividends in the foreseeable future.

The following table summarizes stock option activity during the six months ended June 30, 2021:

	Shares Subject to Options Outstanding		Weighted- Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value (in thousands)
	Shares	Weighted- Average Exercise Price		
Outstanding as of December 31, 2020	9,401,082	\$ 13.42	8.1	\$ 10,182
Options granted	2,591,751	\$ 9.70		
Options exercised	(109,643)	\$ 2.61		
Options forfeited/cancelled	(1,447,260)	\$ 13.71		
Outstanding as of June 30, 2021	10,435,930	\$ 12.56	7.6	\$ 6,887
Options vested and exercisable as of June 30, 2021	4,431,654	\$ 12.89	6.3	\$ 5,333

The aggregate intrinsic value in the above table is calculated as the difference between fair value of the Company's common stock price on June 30, 2021 and the exercise price of the stock options. The aggregate intrinsic value of stock options exercised during the six months ended June 30, 2021 was \$0.7 million.

The weighted-average grant date fair value per share for the stock option grants during the six months ended June 30, 2021 was \$6.87.

The aggregate fair value of stock options that vested during the six months ended June 30, 2021 was \$13.3 million.

Restricted Stock

The summary of the Company's restricted stock activity is as follows:

	Number of Restricted Stock Units Outstanding	Weighted- Average Grant Date Fair Value
Nonvested at December 31, 2020	3,330,821	\$ 7.16
Granted	1,341,885	\$ 10.25
Vested	(755,401)	\$ 6.27
Forfeited	(531,484)	\$ 9.97
Nonvested at June 30, 2021	<u>3,385,821</u>	<u>\$ 8.15</u>

At June 30, 2021, the total unrecognized compensation related to unvested restricted stock awards granted was \$22.2 million, which the Company expects to recognize over a weighted-average period of approximately 1.6 years.

Stock-Based Compensation Expense

Stock-based compensation expense has been reported in the Company's condensed consolidated statements of operations as follows (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Research and development	\$ 4,644	\$ 4,782	\$ 10,086	\$ 9,368
General and administrative	3,410	4,118	6,676	7,776
Total stock-based compensation	<u>\$ 8,054</u>	<u>\$ 8,900</u>	<u>\$ 16,762</u>	<u>\$ 17,144</u>

At June 30, 2021, the total unrecognized compensation related to unvested stock option awards granted was \$43.8 million, which the Company expects to recognize over a weighted-average period of approximately 2.5 years.

As of June 30, 2021, total unrecognized compensation expense related to the ESPP was \$1.8 million, which the Company expects to recognize over a weighted-average period of approximately 1.1 years.

9. Commitments and Contingencies**Leases**

The Company subleases certain office and laboratory space under a non-cancelable operating lease expiring in January 2025 for the initial leased space and December 2022 for expansion space leased pursuant to an amendment to the lease agreement entered into in August 2018. The sublease agreement included options to extend for the entire premises through October 2028. The options to extend must be exercised prior to the termination of the original lease agreement. The period covered by the options was not included in the non-cancellable lease term as it was not determined to be reasonably certain to be executed. The lease agreement also includes a one-time termination option for the expansion space only whereby the Company can terminate the lease with advance written notice. The termination option was not determined to be reasonably certain to be executed. The lease is subject to charges for common area maintenance and other costs, and base rent is subject to an annual 3% increase each subsequent year. Costs determined to be variable and not based on an index or rate were not included in the measurement of the operating lease liabilities.

In November 2019, the Company entered into an additional non-cancelable lease agreement for certain office and laboratory space (the "permanent space") in San Diego, California, commencing on May 1, 2020 and expiring on December 31, 2021. The lease agreement includes a lease for temporary space commencing on January 1, 2020 and expiring on the commencement date of the lease of the permanent space. The monthly base rent for the permanent and temporary space is \$63,425 and \$28,745, respectively. The lease agreement included an option to extend the term of the permanent space for twelve months. The option to extend must be exercised nine months prior to the termination of the original lease agreement. The period covered by the option was not included in the non-cancellable lease term as it was not determined to be reasonably certain to be executed. The lease is subject to charges for common area maintenance and other costs, and base rent is subject to an annual 3% increase each subsequent year.

In June 2020, the Company entered into a sublease agreement for the permanent space with a third party. The sublease commenced on July 1, 2020 and expires on December 31, 2021. The sublessee pays the monthly base rent of \$63,425, subject to an annual 3% increase, and is obligated to pay for common area maintenance and other costs. The sublessee received a 6 months base rent abatement. The Company determined that there was no impairment on the original right-of-use asset and will continue to account for the permanent space as it did before the commencement of the sublease. For the three and six months ended June 30, 2021, the Company recognized \$0.3 million and \$0.9 million, respectively, in sublease income. The Company recognized no sublease income for the three and six months ended June 30, 2020.

On July 29, 2020, the Company entered into a lease assignment agreement, whereby it became the assignee to a lease for certain office and laboratory space in Ann Arbor, Michigan. The lease term expires on December 31, 2026 and the Company has the option to extend the term of the lease by up to five years. The period covered by the option was not included in the non-cancellable lease term as it was not determined to be reasonably certain to be executed. The monthly base rent for the space is \$28,495. The lease is subject to charges for common area maintenance and other costs, and base rent is subject to an annual 2.5% increase on January 1 of each year.

Monthly rent expense is recognized on a straight-line basis over the term of the leases. The operating leases are included in the balance sheet at the present value of the lease payments at a weighted average discount rate of 7% using the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment as the leases do not provide an implicit rate. The weighted average remaining lease term was 2.9 years.

Lease costs were comprised of the following (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Operating lease cost	\$ 1,038	\$ 817	\$ 2,076	\$ 1,570
Short-term lease cost	12	16	21	38
Total lease cost	\$ 1,050	\$ 833	\$ 2,097	\$ 1,608

Cash paid for amounts included in the measurement of operating lease liabilities for the three and six months ended June 30, 2021 and 2020 was \$1.1 million, \$2.1 million, \$0.8 million and \$1.5 million, respectively.

Gross future minimum annual rental commitments as of June 30, 2021, were as follows (in thousands):

	Undiscounted Rent Payments
Year ending December 31	
2021 (remaining 6 months)	\$ 2,146
2022	3,579
2023	2,063
2024	2,123
2025	387
2026	397
Total undiscounted rent payments	\$ 10,695
Present value discount	(1,127)
Present value	\$ 9,568
Current portion of operating lease liability (included as a component of accrued expenses)	3,403
Noncurrent operating lease liabilities	6,165
Total operating lease liability	\$ 9,568

For the three and six months ended June 30, 2021 and 2020 the Company recorded approximately \$1.1 million, \$2.2 million, \$0.8 million and \$1.8 million, respectively, in rent expense.

Litigation

Kuhne vs. Gossamer Bio, Inc., et. al.

On April 3, 2020, Scott Kuhne, individually and on behalf of all others similarly situated, filed a putative class action lawsuit against the Company, certain of its executive officers and directors, and the underwriters of its IPO in the United States District Court for the Southern District of California (Case No. 3:20-cv-00649-DMS-DEB). The first amended complaint was filed on August 31, 2020, and the second amended complaint was filed on November 20, 2020. The second amended complaint was filed on behalf of all investors who purchased the Company's securities pursuant to or traceable to the Company's February 8, 2019 IPO. The second amended complaint alleges that the Company, certain of its executive officers and directors, and the underwriters of its IPO made false and/or misleading statements and failed to disclose material adverse facts about its business, operations and prospects in violation of Sections 11 and 15 of the Securities Act of 1933, as amended. The plaintiff seeks damages, interest, costs, attorneys' fees, and other unspecified equitable relief. The Company moved to dismiss the second amended complaint on January 19, 2021. On April 19, 2021, the Court granted the Company's motion to dismiss in substantial part without leave to amend, and denied the motion to dismiss as to single claim. On July 21, 2021, the Court entered a scheduling order in the action, setting the case for a trial commencing on December 19, 2022. The Company intends to vigorously defend this matter. Given the uncertainty of litigation, the preliminary stage of the case, and the legal standards that must be met for, among other things, class certification and success on the merits, the Company cannot estimate the reasonably possible loss or range of loss that may result from this action.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis and the unaudited interim condensed consolidated financial statements included in this quarterly report on Form 10-Q should be read in conjunction with the consolidated financial statements and notes thereto for the year ended December 31, 2020 and the related Management's Discussion and Analysis of Financial Condition and Results of Operations, both of which are contained in our Annual Report on Form 10-K filed with the Securities and Exchange Commission, or SEC, on February 26, 2021.

Forward-Looking Statements

This quarterly report on Form 10-Q contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. All statements other than statements of historical facts contained in this quarterly report, including statements regarding our future results of operations and financial position, business strategy, the impact of the COVID-19 pandemic, prospective products, product approvals, research and development costs, timing and likelihood of success, plans and objectives of management for future operations, clinical developments and future results of product development programs, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these terms or other similar expressions. The forward-looking statements in this quarterly report are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this quarterly report and are subject to a number of risks, uncertainties and assumptions, including those described in Part II, Item 1A, "Risk Factors" of this report and Part I, Item 1A, "Risk Factors" in our most recent Annual Report on Form 10-K filed with the SEC on February 26, 2021. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

Overview

We are a clinical-stage biopharmaceutical company focused on discovering, acquiring, developing and commercializing therapeutics in the disease areas of immunology, inflammation and oncology. We are currently enrolling patients in Phase 2 clinical trials for two clinical-stage product candidates. We are developing seralutinib for the treatment of pulmonary arterial hypertension, or PAH, and commenced enrolling patients for a Phase 2 TORREY clinical trial in PAH patients in December 2020. We expect topline results from this trial in the first half of 2022, subject to developments in the ongoing COVID-19 pandemic. We are developing GB004 for the treatment of inflammatory bowel disease, including ulcerative colitis, or UC, and Crohn's disease. We commenced enrolling patients for a Phase 2 SHIFT-UC clinical trial in UC in October 2020. We expect topline results from this trial in the first half of 2022, subject to developments in the ongoing COVID-19 pandemic. In the third quarter of 2021, we announced that we will discontinue clinical development for our oncology-focused product candidate, GB1275, which is currently in a Phase 1/2 clinical trial in solid tumor indications as a monotherapy and in combination with either pembrolizumab or chemotherapy. We also have multiple preclinical programs at various stages of development in the therapeutic areas of immunology, inflammation and oncology, and we are advancing those product candidates towards clinical development. We have assembled a deeply experienced and highly skilled group of industry veterans, scientists, clinicians and key opinion leaders from leading biotechnology and pharmaceutical companies, as well as leading academic centers from around the world. Our employees are a team of highly dedicated, passionate individuals who pride themselves on a culture of respect, humility, transparency, inclusion, dedication, collaboration and fun. Our ultimate goal is to enhance and extend the lives of patients.

We were incorporated in October 2015 and commenced operations in 2017. To date, we have focused primarily on organizing and staffing our company, business planning, raising capital, identifying, acquiring and in-licensing our product candidates and conducting preclinical studies and early clinical trials. We have funded our operations primarily through equity and debt financings. We raised \$942.0 million from October 2017 through June 30, 2021 through Series A and B convertible preferred stock financings, a convertible note financing, our IPO completed in February 2019, proceeds from our Credit

Facility, and proceeds from our concurrent underwritten public offerings of 2027 Notes and common stock in May 2020. In addition, we received \$12.8 million in cash in connection with the January 2018 acquisition of AA Biopharma Inc., of which Pulmagen Therapeutics (Asthma) Limited is a wholly-owned subsidiary. As of June 30, 2021, we had \$405.9 million in cash, cash equivalents and marketable securities.

We have incurred significant operating losses since our inception and expect to continue to incur significant operating losses for the foreseeable future. For the three and six months ended June 30, 2021 our net loss was \$59.8 million and \$117.5 million, respectively. For the three and six months ended June 30, 2020 our net loss was \$66.9 million and \$120.9 million, respectively. As of June 30, 2021, we had an accumulated deficit of \$695.0 million. We expect our expenses and operating losses will increase substantially as we conduct our ongoing and planned clinical trials, continue our research and development activities and conduct preclinical studies, and seek regulatory approvals for our product candidates, as well as hire additional personnel, protect our intellectual property and incur additional costs associated with being a public company. In addition, as our product candidates progress through development and toward commercialization, we will need to make milestone payments to the licensors and other third parties from whom we have licensed or acquired our product candidates, including seralutinib and GB004. Our net losses may fluctuate significantly from quarter-to-quarter and year-to-year, depending in particular on the timing of our clinical trials and preclinical studies and our expenditures on other research and development activities.

We do not expect to generate any revenue from product sales unless and until we successfully complete development and obtain regulatory approval for one or more of our product candidates, which we expect will take a number of years. If we obtain regulatory approval for any of our product candidates, we expect to incur significant commercialization expenses related to product sales, marketing, manufacturing and distribution. Accordingly, until such time as we can generate substantial product revenues to support our cost structure, if ever, we expect to finance our cash needs through equity offerings, debt financings or other capital sources, including potentially collaborations, licenses and other similar arrangements. However, we may be unable to raise additional funds or enter into such other arrangements when needed on favorable terms or at all. Our failure to raise capital or enter into such other arrangements when needed could have a negative impact on our financial condition and on our ability to pursue our business plans and strategies. If we are unable to raise additional capital when needed, we could be forced to delay, limit, reduce or terminate our product candidate development or future commercialization efforts or grant rights to develop and market our product candidates even if we would otherwise prefer to develop and market such product candidates ourselves.

COVID-19 Pandemic

The current COVID-19 worldwide pandemic has presented substantial public health and economic challenges and continues to affect our employees, patients, communities and business operations, as well as the U.S. and global economies and financial markets. International and U.S. governmental authorities in impacted regions continue to take actions in an effort to slow the spread of COVID-19, including issuing varying forms of “stay-at-home” orders, and restricting business functions outside of one’s home. In response, we have implemented a work-from-home policy for certain of our employees. To date, we have been able to continue to supply our product candidates to our patients currently enrolled in our clinical trials, including for seralutinib, GB004 and GB1275, and do not currently anticipate any interruptions in supply. In addition, while we are continuing the clinical trials we have underway in sites across the globe, COVID-19 precautions have caused delays, and may continue to delay completion of these and future trials and may directly or indirectly impact the timeline for data readouts, initiation of, as well as monitoring, data collection and analysis and other related activities for, some of our current and future clinical trials. For example, our current expectations for how we will continue to enroll our Phase 2 clinical trials of seralutinib and GB004 are based on an assumption that clinical trial and healthcare activities continue to return to normal and clinical sites remain open or reopen during the second half of 2021 in light of the continued spread of COVID-19. In particular with respect to seralutinib, some PAH clinical trial sites are currently closed or limited as PAH patients may be at a higher risk of COVID-19 complications than the general population, and some PAH clinical trials may close again if there is a surge of COVID-19 cases in the specific geographies of such trial site locations. Therefore, our assumptions around enrollment timing may prove to be incorrect, in particular if COVID-19 continues to spread. In light of recent developments relating to the COVID-19 pandemic, and consistent with the FDA’s updated industry guidance for conducting clinical trials, clinical trials may be deprioritized in favor of treating patients who have contracted the virus or to prevent the spread of the virus. This may lead to clinical trial protocol deviations or to discontinuation of treatment for patients who are currently enrolled in our trials. Any delays in the completion of our clinical trials, data analysis or readouts and any disruption in our supply chain could have a material adverse effect on our business, results of operations and financial condition. The full extent to which the COVID-19 pandemic will directly or indirectly impact our business, results of operations and financial condition, will depend on future developments that are highly uncertain, including as a result of new information that may emerge concerning COVID-19 and the actions taken to contain or treat it, as well as the economic impact on local, regional, national and international markets.

Components of Results of Operations

Revenue

We have not generated any revenue since our inception and do not expect to generate any revenue from the sale of products for the foreseeable future.

Operating expenses

Research and development

Research and development expenses have related primarily to preclinical and clinical development of our product candidates and discovery efforts. Research and development expenses are recognized as incurred and payments made prior to the receipt of goods or services to be used in research and development are capitalized until the goods or services are received.

Research and development expenses include or could include:

- salaries, payroll taxes, employee benefits, and stock-based compensation charges for those individuals involved in research and development efforts;
- external research and development expenses incurred under agreements with contract research organizations, or CROs, investigative sites and consultants to conduct our clinical trials and preclinical and non-clinical studies;
- laboratory supplies;
- costs related to manufacturing our product candidates for clinical trials and preclinical studies, including fees paid to third-party manufacturers;
- costs related to compliance with regulatory requirements; and
- facilities, depreciation and other allocated expenses, which include direct and allocated expenses for rent, maintenance of facilities, insurance, equipment and other supplies.

Our direct research and development expenses consist principally of external costs, such as fees paid to CROs, investigative sites and consultants in connection with our clinical trials, preclinical and non-clinical studies, and costs related to manufacturing clinical trial materials. We deploy our personnel and facility related resources across all of our research and development activities. We track external costs and personnel expense on a program-by-program basis and allocate common expenses, such as facility related resources, to each program based on the personnel resources allocated to such program. Stock-based compensation and personnel and common expenses not attributable to a specific program are considered unallocated research and development expenses.

We plan to substantially increase our research and development expenses for the foreseeable future as we continue the development of our product candidates and conduct discovery and research activities for our preclinical programs. We cannot determine with certainty the timing of initiation, the duration or the completion costs of current or future preclinical studies and clinical trials of our product candidates due to the inherently unpredictable nature of preclinical and clinical development. Clinical and preclinical development timelines, the probability of success and development costs can differ materially from expectations. We anticipate that we will make determinations as to which product candidates to pursue and how much funding to direct to each product candidate on an ongoing basis in response to the results of ongoing and future preclinical studies and clinical trials, regulatory developments and our ongoing assessments as to each product candidate's commercial potential. We will need to raise substantial additional capital in the future.

Our clinical development costs may vary significantly based on factors such as:

- the costs incurred as a result of the COVID-19 pandemic, including clinical trial delays;
- per patient trial costs;
- the number of trials required for approval;
- the number of sites included in the trials;
- the countries in which the trials are conducted;

- the length of time required to enroll eligible patients;
- the number of patients that participate in the trials;
- the number of doses that patients receive;
- the drop-out or discontinuation rates of patients;
- potential additional safety monitoring requested by regulatory agencies;
- the duration of patient participation in the trials and follow-up;
- the cost and timing of manufacturing our product candidates;
- the phase of development of our product candidates; and
- the efficacy and safety profile of our product candidates.

In process research and development

In process research and development, or IPR&D, expenses include IPR&D acquired as part of an asset acquisition or in-license for which there is no alternative future use, are expensed as incurred.

IPR&D expenses consist of our upfront payments made to Pulmokine, Inc., in connection with the in-license of seralutinib, the value of our stock issued to former AA Biopharma Inc. shareholders, in connection with the acquisition of GB001, our upfront payments made to Aerpio Pharmaceuticals, Inc., or Aerpio, in connection with the in-license and subsequent amendment of the in-license of GB004, our upfront and milestone payments made to Adhaere Pharmaceuticals, Inc., or Adhaere, in connection with the acquisition of GB1275, and upfront and milestone payments made in connection with the acquisition of certain preclinical programs.

General and administrative

General and administrative expenses consist primarily of salaries and employee-related costs, including stock-based compensation, for personnel in executive, finance and other administrative functions. Other significant costs include facility-related costs, legal fees relating to intellectual property and corporate matters, professional fees for accounting and consulting services and insurance costs.

We expect our general and administrative expenses will increase for the foreseeable future to support our expanded infrastructure and increased costs of operating as a public company. These increases will likely include increased expenses related to audit, legal, regulatory and tax-related services associated with maintaining compliance with exchange listing and SEC requirements, director and officer insurance premiums, and investor relations costs associated with operating as a public company.

Other income, net

Other income, net consists of (1) interest income on our cash, cash equivalents and marketable securities, (2) sublease income, (3) interest expense related to our Credit Facility and our 2027 Notes, and (4) other miscellaneous income (expense).

Critical Accounting Policies and Estimates

Our management's discussion and analysis of our financial condition and results of operations are based on our condensed consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States, or GAAP. The preparation of these financial statements requires us to make judgments and estimates that affect the reported amounts of assets, liabilities, revenues, and expenses and the disclosure of contingent assets and liabilities in our condensed consolidated financial statements. We base our estimates on historical experience, known trends and events, and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. On an ongoing basis, we evaluate our judgments and estimates in light of changes in circumstances, facts and experience. During the six months ended June 30, 2021, there have been no significant changes in our critical accounting policies as discussed in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies and Estimates" in our Annual Report on Form 10-K filed with the SEC on February 26, 2021.

Results of Operations – Comparison of the Three and Six Months Ended June 30, 2021 and 2020

The following table sets forth our selected statements of operations data for the three months ended June 30, 2021 and 2020:

	Three months ended June 30,		2021 vs 2020 Change
	2021	2020	
(in thousands)			
Operating expenses:			
Research and development	\$ 44,318	\$ 38,684	\$ 5,634
In process research and development	15	15,000	(14,985)
General and administrative	11,263	11,655	(392)
Total operating expenses	55,596	65,339	(9,743)
Loss from operations	(55,596)	(65,339)	9,743
Other income (expense), net			
Interest income	141	898	(757)
Interest expense	(4,834)	(2,491)	(2,343)
Other income	457	62	395
Total other income (expense), net	(4,236)	(1,531)	(2,705)
Net loss	\$ (59,832)	\$ (66,870)	\$ 7,038

The following table sets forth our selected statements of operations data for the six months ended June 30, 2021 and 2020:

	Six months ended June 30,		2021 vs 2020 Change
	2021	2020	
(in thousands)			
Operating expenses:			
Research and development	\$ 86,145	\$ 80,098	\$ 6,047
In process research and development	45	17,805	(17,760)
General and administrative	22,609	22,403	206
Total operating expenses	108,799	120,306	(11,507)
Loss from operations	(108,799)	(120,306)	11,507
Other income (expense), net			
Interest income	334	2,496	(2,162)
Interest expense	(9,614)	(3,198)	(6,416)
Other income	606	64	542
Total other expense, net	(8,674)	(638)	(8,036)
Net loss	\$ (117,473)	\$ (120,944)	\$ 3,471

Operating Expenses
Research and development

Research and development expenses were \$44.3 million for the three months ended June 30, 2021, compared to \$38.7 million for the three months ended June 30, 2020, for an increase of \$5.6 million, which was primarily attributable to an increase of \$6.2 million of costs associated with preclinical studies and clinical trials for GB004, an increase of \$4.3 million of costs associated with preclinical studies and clinical trials for seralutinib and an increase of \$3.4 million of costs associated with preclinical studies for our other programs, offset by a decrease of \$7.7 million of costs associated with preclinical studies and

clinical trials for GB001 and a decrease of \$0.6 million of costs associated with preclinical studies and clinical trials for GB1275.

Research and development expenses were \$86.1 million for the six months ended June 30, 2021, compared to \$80.1 million for the six months ended June 30, 2020, for an increase of \$6.0 million, which was primarily attributable to an increase of \$11.3 million of costs associated with preclinical studies and clinical trials for GB004, an increase of \$7.4 million of costs associated with preclinical studies and clinical trials for seralutinib and an increase of \$7.2 million of costs associated with preclinical studies for our other programs, offset by a decrease of \$17.8 million of costs associated with preclinical studies and clinical trials for GB001 and a decrease of \$2.1 million of costs associated with preclinical studies and clinical trials for GB1275.

The following table shows our research and development expenses by program for the three and six months ended June 30, 2021 and 2020:

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
	(in thousands)			
Seralutinib	\$ 11,646	\$ 7,352	\$ 22,313	\$ 14,906
GB004	10,386	4,185	19,244	7,924
GB1275	2,525	3,094	5,357	7,439
GB001	445	8,166	1,713	19,542
Other Programs	19,316	15,887	37,518	30,287
Total research and development	\$ 44,318	\$ 38,684	\$ 86,145	\$ 80,098

In process research and development

There were no significant IPR&D expenses for the three months ended June 30, 2021. IPR&D for the three months ended June 30, 2020 was \$15.0 million, which was attributable to an upfront payment to Aerpio in connection with the amendment to the in-license agreement of GB004.

There were no significant IPR&D expenses for the six months ended June 30, 2021. IPR&D for the six months ended June 30, 2020 was \$17.8 million, which was primarily attributable to a \$15.0 million upfront payment to Aerpio in connection with the amendment to the in-license agreement of GB004.

General and administrative

General and administrative expenses were \$11.3 million for the three months ended June 30, 2021, compared to \$11.7 million for the three months ended June 30, 2020, for a decrease of \$0.4 million, which was primarily attributable to a decrease in stock-based compensation costs.

General and administrative expenses were \$22.6 million for the six months ended June 30, 2021, compared to \$22.4 million for the six months ended June 30, 2020, for an increase of \$0.2 million, which was primarily attributable an increase of costs related to personnel.

Other income (expense), net

Other expense, net was \$4.2 million for the three months ended June 30, 2021, compared to other expense, net of \$1.5 million for the three months ended June 30, 2020, for an increase of \$2.7 million, which was primarily attributable to a \$2.3 million increase in interest expense on our 2027 Notes and a \$0.8 million decrease in investment income earned on our cash, cash equivalents and marketable securities during the period.

Other expense, net was \$8.7 million for the six months ended June 30, 2021, compared to other expense, net of \$0.6 million for the six months ended June 30, 2020, for an increase of \$8.1 million, which was primarily attributable to a \$6.4 million increase in interest expense on our 2027 Notes and a \$2.2 million decrease in investment income earned on our cash, cash equivalents and marketable securities during the period.

Liquidity and Capital Resources

We have incurred substantial operating losses since our inception and expect to continue to incur significant operating losses for the foreseeable future and may never become profitable. As of June 30, 2021, we had an accumulated deficit of \$695.0 million.

Our primary use of cash is to fund operating expenses, which consist primarily of research and development expenditures, and to a lesser extent, general and administrative 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 and accrued expenses.

Under our license agreements with Pulmokit and Aerpio, as well as our other license and acquisition agreements, we have payment obligations that are contingent upon future events such as our achievement of specified development, regulatory and commercial milestones and are required to make royalty payments in connection with the sale of products developed under those agreements. As of June 30, 2021, we were unable to estimate the timing or likelihood of achieving the milestones or making future product sales. Other contractual obligations include future payments under our Credit Facility, 2027 Notes and existing operating leases.

From our inception through the six months ended June 30, 2021, our operations have been financed primarily by gross proceeds of \$942.0 million from the sale of our convertible preferred stock, convertible promissory note, proceeds from our IPO, proceeds from our Credit Facility, and proceeds from our concurrent underwritten public offerings of 2027 Notes and common stock. As of June 30, 2021 we had cash, cash equivalents and marketable securities of \$405.9 million. Cash in excess of immediate requirements is invested in accordance with our investment policy, primarily with a view to capital preservation and liquidity.

On February 12, 2019, we closed our IPO and the underwriters in the IPO purchased 19,837,500 shares, including the full exercise of their option to purchase additional shares of common stock. The net proceeds from the IPO were \$291.3 million, after deducting underwriting discounts and commissions and estimated offering costs. In connection with the closing of the IPO, the outstanding shares of our convertible preferred stock were converted into shares of common stock at a ratio of 4.5-to-one.

On May 2, 2019, we entered into a credit, guaranty and security agreement, as amended on September 18, 2019 and July 2, 2020, pursuant to which the lenders party thereto agreed to make term loans available to us for working capital and general business purposes, in a principal amount of up to \$150.0 million in term loan commitments, including a \$30.0 million term loan which was funded at the closing date, with the ability to access the remaining \$120.0 million in two additional tranches (each \$60.0 million), subject to specified availability periods, the achievement of certain clinical development milestones, minimum cash requirements and other customary conditions, or the Credit Facility. As of June 30, 2021, no other tranches under the Credit Facility were available to be drawn.

On April 10, 2020, we filed a registration statement on Form S-3, or the Shelf Registration Statement, covering the offering from time to time of common stock, preferred stock, debt securities, warrants and units, which registration statement became automatically effective on April 10, 2020.

In May 2020, we issued \$200.0 million aggregate principal amount 5.00% convertible senior notes due 2027 in a registered public offering. The interest rate on the 2027 Notes is fixed at 5.00% per annum. Interest is payable semi-annually in arrears on June 1 and December 1 of each year commencing on December 1, 2020. The total net proceeds from the 2027 Notes, after deducting the underwriting discounts and commissions and other offering costs, were approximately \$193.6 million. Concurrent with the registered underwritten public offering of the 2027 Notes, we completed an underwritten public offering of 9,433,963 shares of our common stock. We received net proceeds of \$117.1 million, after deducting underwriting discounts and commissions and other offering costs. Our concurrent offerings of 2027 Notes and common stock were registered pursuant to the Shelf Registration Statement.

Additional information about our long-term borrowings is presented in Note 5 "Indebtedness" to the Notes to Unaudited Condensed Consolidated Financial Statements included in Part I, Item 1, of this Form 10-Q, which is incorporated herein by this reference.

The following table shows a summary of our cash flows for each of the six months ended June 30, 2021 and 2020, respectively:

	Six months ended June 30,	
	2021	2020
	(in thousands)	
Net cash used in operating activities	\$ (106,346)	\$ (94,694)
Net cash provided by (used in) investing activities	(38,108)	134,283
Net cash provided by financing activities	1,045	311,400
Effect of exchange rate changes on cash, cash equivalents and restricted cash	\$ (192)	\$ (16)
Net increase (decrease) in cash, cash equivalents and restricted cash	<u>\$ (143,601)</u>	<u>\$ 350,973</u>

Operating activities

During the six months ended June 30, 2021, operating activities used approximately \$106.3 million of cash, primarily resulting from a net loss of \$117.5 million and changes in operating assets and liabilities of \$11.7 million, reduced by stock-based compensation expense of \$16.8 million and amortization of debt discount and issuance costs of \$3.3 million. Net cash used in changes in operating assets and liabilities consisted primarily of changes in accounts payable and accrued compensation and benefits.

During the six months ended June 30, 2020, operating activities used approximately \$94.7 million of cash, primarily resulting from a net loss of \$120.9 million and changes in operating assets and liabilities of \$11.1 million, reduced by IPR&D expense of \$17.8 million and stock-based compensation expense of \$17.1 million. Net cash used in changes in operating assets and liabilities consisted primarily of changes in accounts payable and accrued compensation and benefits.

Investing activities

During the six months ended June 30, 2021, investing activities used approximately \$38.1 million of cash, primarily resulting from the purchases of marketable securities of \$49.9 million, offset by the maturities of marketable securities of \$12.8 million.

During the six months ended June 30, 2020, investing activities provided approximately \$134.3 million of cash, primarily resulting from the sales and maturities of marketable securities of \$226.8 million, offset by the purchases of marketable securities of \$73.8 million and a \$15.0 million upfront payment to Aerpio in connection with the amendment to the in-license agreement of GB004.

Financing activities

During the six months ended June 30, 2021, financing activities provided \$1.0 million of cash, primarily resulting from the purchase of shares pursuant to the ESPP and the exercise of stock options.

During the six months ended June 30, 2020, financing activities provided \$311.4 million of cash, primarily resulting from the concurrent registered underwritten public offerings of 2027 Notes and our common stock for net proceeds of \$193.6 million and \$117.1 million, respectively.

Funding requirements

Based on our current operating plan, we believe that our existing cash, cash equivalents and marketable securities, and access to our Credit Facility, will be sufficient to fund our operations into the second half of 2023. However, our forecast of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement that involves risks and uncertainties, and actual results could vary materially. We have based this estimate on assumptions that may prove to be wrong, and we could use our capital resources sooner than we expect. Additionally, the process of testing product candidates in clinical trials is costly, and the timing of progress and expenses in these trials is uncertain.

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

- the type, number, scope, progress, expansions, results, costs and timing of, our preclinical studies and clinical trials of our product candidates which we are pursuing or may choose to pursue in the future;
- the costs and timing of manufacturing for our product candidates;
- the costs, timing and outcome of regulatory review of our product candidates;

- the costs of obtaining, maintaining and enforcing our patents and other intellectual property rights;
- our efforts to enhance operational systems and hire additional personnel to satisfy our obligations as a public company, including enhanced internal controls over financial reporting;
- the costs associated with hiring additional personnel and consultants as our preclinical and clinical activities increase;
- the timing and amount of the milestone or other payments we must make to the licensors and other third parties from whom we have in-licensed our acquired our product candidates;
- the costs and timing of establishing or securing sales and marketing capabilities if any product candidate is approved;
- our ability to achieve sufficient market acceptance, coverage and adequate reimbursement from third-party payors and adequate market share and revenue for any approved products;
- the terms and timing of establishing and maintaining collaborations, licenses and other similar arrangements;
- costs associated with any products or technologies that we may in-license or acquire; and
- any delays and cost increases that result from the COVID-19 pandemic.

Until such time as we can generate substantial product revenues to support our cost structure, if ever, we expect to finance our cash needs through equity offerings, our Credit Facility, debt financings or other capital sources, including potentially collaborations, licenses and other similar arrangements.

However, we may be unable to raise additional funds or enter into such other arrangements when needed on favorable terms or at all. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our stockholders will be or could be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our common stockholders. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise funds through collaborations, licenses and other similar arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us and/or may reduce the value of our common stock. Our failure to raise capital or enter into such other arrangements when needed could have a negative impact on our financial condition and on our ability to pursue our business plans and strategies. If we are unable to raise additional capital when needed, we could be forced to delay, limit, reduce or terminate our product candidate development or future commercialization efforts or grant rights to develop and market our product candidates even if we would otherwise prefer to develop and market such product candidates ourselves.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As of June 30, 2021, there have been no material changes surrounding our market risk, including interest rate risk, foreign currency exchange risk, and inflation risk, from the discussion provided in Item 7A, “Quantitative and Qualitative Disclosures About Market Risk” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020 filed with the SEC on February 26, 2021.

ITEM 4. CONTROLS AND PROCEDURES

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our periodic and current reports that we file with the SEC is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable and not absolute assurance of achieving the desired control objectives. In reaching a reasonable level of assurance, management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. In addition, the design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there

can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, control may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act as of the end of the period covered by this quarterly report. Based on such evaluation, our principal executive officer and principal financial officer have concluded that as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during the three months ended June 30, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We discuss certain legal proceedings in Part I of this Quarterly Report on Form 10-Q under the caption “Item 1. Consolidated Financial Statements,” in Note 9 to our Condensed Consolidated Financial Statements, which is captioned “Commitments and Contingencies,” under the sub-caption “Litigation,” and refer you to that discussion, which is incorporated herein by reference to that Note 9, for important information concerning those legal proceedings, including the basis for such actions and, where known, the relief sought.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors previously disclosed by us in Part I, Item 1A “Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended December 31, 2020 filed with the SEC on February 26, 2021.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Unregistered Sales of Equity Securities

None.

Use of Proceeds

On February 7, 2019, our registration statement on Form S-1 (File No. 333-228984) was declared effective by the SEC for our initial public offering. At the closing of the offering on February 12, 2019, we sold 19,837,500 shares of common stock, which included the exercise in full by the underwriters of their option to purchase 2,587,500 additional shares, at an initial public offering price of \$16.00 per share and received gross proceeds of \$317.4 million, which resulted in net proceeds to us of approximately \$291.3 million, after deducting underwriting discounts and commissions of approximately \$22.2 million and offering-related transaction costs of approximately \$3.9 million. None of the expenses associated with the initial public offering were paid to directors, officers, persons owning ten percent or more of any class of equity securities, or to their associates, or to our affiliates. Merrill Lynch, Pierce, Fenner & Smith Incorporated, SVB Leerink LLC, Barclays Capital Inc. and Evercore Group L.L.C. acted as joint book-running managers for the offering.

As of June 30, 2021, we have used approximately \$195.5 million of the proceeds from our IPO for general corporate purposes. There has been no material change in the planned use of proceeds from our initial public offering from that described in the final prospectus filed by us with the SEC on February 8, 2019.

Issuer Repurchases of Equity Securities

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not Applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

The Company held its annual meeting of stockholders on June 9, 2021 (the “Annual Meeting”). At the Annual Meeting, the Company’s stockholders voted, as recommended by the Board, on an advisory basis, that the frequency of the stockholder vote to approve the compensation of the named executive officers should be held every year. In light of the recommendation and the result of the non-binding advisory vote, the Company currently intends to hold an advisory vote on the compensation of its named executive officers every year until the next advisory vote on the frequency of stockholder votes on executive compensation.

ITEM 6. EXHIBITS

The exhibits filed or furnished as part of this Quarterly Report on Form 10-Q are set forth on the Exhibit Index, which Exhibit Index is incorporated herein by reference.

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Date	Number	
3.1	Amended and Restated Certificate of Incorporation.	8-K	2/12/2019	3.1	
3.2	Amended and Restated Bylaws.	10-Q	5/12/2020	3.2	
4.1	Form of Common Stock Certificate.	S-1/A	1/23/2019	4.1	
4.2	Amended and Restated Investors' Rights Agreement, dated July 20, 2018, by and among the Registrant and certain of its stockholders.	S-1	12/21/2018	4.2	
4.3	Indenture, dated as of May 21, 2020, by and between the Company and Wilmington Trust, National Association.	8-K	5/21/2020	4.1	
4.4	First Supplemental Indenture, dated May 21, 2020, by and between the Company and Wilmington Trust, National Association.	8-K	5/21/2020	4.2	
4.5	Form of Global Note representing 5.00% Convertible Senior Notes due 2027 (included as part of Exhibit 4.4).	8-K	5/21/2020	4.3	
10.1#	Employment Letter, dated April 16, 2021, by and between Caryn Peterson and the Registrant.				X
10.2#	Employment Letter, dated May 1, 2021, by and between Laura Carter and the Registrant.				X
10.3#	Employment Letter, dated June 21, 2021, by and between Richard Aranda and the Registrant.				X
31.1	Certification of Chief Executive Officer of Gossamer Bio, Inc., as required by Rule 13a-14(a) or Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.2	Certification of Chief Financial Officer of Gossamer Bio, Inc., as required by Rule 13a-14(a) or Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
32.1*	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
32.2*	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
101.INS	XBRL Report Instance Document				X
101.SCH	XBRL Taxonomy Extension Schema Document				X
101.CAL	XBRL Taxonomy Calculation Linkbase Document				X
101.LAB	XBRL Taxonomy Label Linkbase Document				X
101.PRE	XBRL Presentation Linkbase Document				X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document				X

Indicates management contract or compensatory plan.

* This certification is deemed not filed for purpose of section 18 of the Exchange Act or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

SIGNATURES

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

Date: August 9, 2021

GOSSAMER BIO, INC.

By: /s/ Faheem Hasnain
Faheem Hasnain
President and Chief Executive Officer
(Principal Executive Officer)

Date: August 9, 2021

By: /s/ Bryan Giraud
Bryan Giraud
Chief Financial Officer
(Principal Financial and Accounting Officer)

Gossamer Bio Services, Inc.
3013 Science Park Road
San Diego, CA 92112

April 16, 2021

Caryn Peterson
c/o Gossamer Bio Services, Inc.
3013 Science Park Road, Suite 200
San Diego, CA 92112

Dear Caryn:

This amended and restated letter agreement (this "Agreement") confirms the terms of your continuing employment with Gossamer Bio Services, Inc. (the "Company"), a wholly-owned subsidiary of Gossamer Bio, Inc. (the "Parent"). This Agreement is effective as of April 16, 2021 (the "Effective Date").

1. Title and Duties.

(a) Title and Duties. You will be employed by the Company, on a full-time basis, as its Executive Vice President, Regulatory Affairs and to serve as an officer with that same position of Parent, working out of the Company's headquarters located in San Diego, California. You shall have all the duties, responsibilities and authority commensurate with these positions, subject to the supervision of, and reporting directly to, the Chief Executive Officer or Chief Medical Officer, as determined by the Chief Executive Officer, of the Company (the "Supervising Officer"). For the avoidance of doubt, all references in this Agreement to your "employment with the Company" shall include your employment with the Company and any of its affiliates and subsidiaries, as applicable.

(b) Time Commitment; Outside Activities. You agree to perform the duties and responsibilities of your positions, and such other duties and responsibilities as shall from time to time be mutually agreed upon between you and the Supervising Officer. You agree that, while employed by the Company, you will devote substantially all of your business time and your best efforts, business judgment, skill and knowledge exclusively to the advancement of the business and interests of the Company and to the discharge of your duties and responsibilities for it; *provided, however*, it is agreed that you may participate in outside charitable, civic, educational, professional, community or industry activities to the extent such activities do not individually or in the aggregate interfere with your duties and responsibilities to the Company or create an actual or potential conflict of interest with the Company's business; *provided, further*, that your service on any outside boards (whether for profit or non-profit) shall require the prior consent of the Supervising Officer. You agree to abide by the rules, regulations, instructions, personnel practices and policies of the Company, as adopted and amended from time to time by the Company.

2. Compensation.

(a) Base Salary. You will receive an annual base salary of \$394,000, payable in accordance with the normal payroll practices of the Company in effect from time to time. Your performance will be reviewed by the Compensation Committee of the Board of Directors of Parent (the "Board") or the Supervising Officer on an annual basis in conjunction with an annual salary review.

(b) Annual Bonus. Commencing with calendar year 2021, you will be eligible to receive an annual cash incentive bonus with a target amount equal to 40% of your then-current annual base salary (the "Target Bonus"). Your bonus in respect of 2021, and any future bonuses, will be subject to the terms of the applicable bonus plan developed and approved by the Board or the Compensation Committee of the Board. Any bonus awarded will be paid on or before March 15 of the calendar year immediately following the year for which the bonus was awarded, subject to your employment at the end of the calendar year for which the bonus is due, except as otherwise expressly provided for herein. To the extent your employment commenced following January 1, your annual bonus will be pro-rated to reflect your service during that year.

(c) Benefits. You will be eligible to participate in any and all benefit programs that the Company establishes and makes available to its employees from time to time, provided that you are eligible under (and subject to all provisions of) the plan documents that govern those programs. Benefits are subject to change at any time in the Company's sole discretion.

(d) Expense Reimbursements. The Company will reimburse you for all reasonable business expenses incurred by you in the performance of your duties, subject to the Company's expense reimbursement policies applicable to senior executives in effect from time to time.

(e) Paid Time Off. You will be entitled to paid time off in accordance with the policies of the Company.

3. At-Will Employment; Termination.

(a) At-Will Employment; Notice of Resignation. This Agreement shall not be construed as an agreement, either express or implied, to employ you for any stated term, and shall in no way alter the Company's policy of employment at-will, under which both the Company and you remain free to end the employment relationship for any reason, at any time, with or without cause or notice. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at-will" nature of your employment may only be changed by a written agreement signed by you and an executive officer of the Company, which expressly states the intention to modify the at-will nature of your employment. Similarly, nothing in this Agreement shall be construed as an agreement, either express or implied, to pay you any compensation or grant you any benefit beyond the end of your employment with the Company, except as otherwise explicitly set forth herein.

(b) Termination Payment. In the event your employment with the Company ever terminates, on your last day of employment, you will receive your accrued but unpaid base salary and all accrued but unused paid time off through the last day of your employment, in

accordance with the Company's then-current payroll policies and practices (the "Termination Payment").

(c) Termination Without Cause or Resignation For Good Reason Prior to a Change in Control or More Than 12 Months Following a Change in Control. Without otherwise limiting the "at-will" nature of your employment, in the event your employment is terminated at any time by the Company (or any of its subsidiaries or affiliates, as applicable, or any of their respective successors or assigns) without Cause (as defined below) (excluding by reason of your death and Disability (as defined below)) or by you for Good Reason in each case prior to a Change in Control (as defined below) or more than twelve (12) months following a Change in Control, then, in addition to the Termination Payment, the Company shall provide the following payments and benefits ("Severance Benefits"): (i) continued payment of your base salary at the then-current rate per pay period for a period of nine (9) months following your termination date, in accordance with the Company's then-current payroll policies and practices; and (ii) provided you timely elect and remain eligible for coverage pursuant to Part 6 of Title I of ERISA, or similar state law (collectively, "COBRA"), payment or reimbursement to you of an amount equal to the full monthly premium for COBRA continuation coverage under the Company's medical plans as in effect on the date of your termination with respect to the level of coverage in effect for you and your eligible dependents as of the date of your termination, on a monthly basis on the first business day of the calendar month next following the calendar month in which the applicable COBRA premiums were paid, with respect to the period from the date of your termination until the earlier of (x) nine (9) months following such date and (y) the date you become eligible for coverage under a subsequent employer's medical plan.

(d) Termination Without Cause or Resignation For Good Reason Within 12 Months Following a Change in Control. In the event your employment is terminated at any time by the Company (or any of its subsidiaries or affiliates, as applicable, or any of their respective successors or assigns) without Cause (excluding by reason of your death and Disability) or by you for Good Reason, in each case on or within twelve (12) months after a Change in Control, then, in addition to the Termination Payment, the Company shall provide the following payments and benefits ("Change in Control Severance Benefits"): (i) continued payment of your base salary at the then-current rate per pay period for a period of twelve (12) months following your termination date, in accordance with the Company's then-current payroll policies and practices; (ii) payment of your Target Bonus for the calendar year during which your date of termination occurs, on the Payment Date; (iii) full vesting of any unvested portion of any equity awards then held by you, which shall no longer be subject to any restrictions or forfeiture, and full exercisability with respect to stock options and similar awards; and (iv) provided you timely elect and remain eligible for coverage pursuant to COBRA, payment or reimbursement to you of an amount equal to the full monthly premium for COBRA continuation coverage under the Company's medical plans as in effect on the date of your termination with respect to the level of coverage in effect for you and your eligible dependents as of the date of your termination, on a monthly basis on the first business day of the calendar month next following the calendar month in which the applicable COBRA premiums were paid, with respect to the period from the date of your termination until the earlier of (x) twelve (12) months following such date and (y) the date you become eligible for coverage under a subsequent employer's medical plan. Notwithstanding anything to the contrary and for the avoidance of doubt, any Change in Control Severance Benefits paid to you shall be instead of, and not in addition to, any Severance Benefits that may be paid to you.

(e) Death or Disability. In the event your employment is terminated at any time by the Company (or any of its subsidiaries or affiliates, as applicable, or any of their respective successors or assigns) by reason of your death or Disability, then, in addition to the Termination Payment, the Company shall provide that the greater of (i) fifty percent (50%) of the unvested portion of any equity awards then held by you immediately prior to such termination or (ii) the portion of such equity awards that would have otherwise vested in the nine (9) month period following the date of such termination of employment, shall vest and shall no longer be subject to restrictions or forfeiture on the date of such termination (“Qualified Accelerated Vesting”).

(f) Release. Notwithstanding anything to the contrary in the foregoing, you will not be entitled to receive any Severance Benefits, Change in Control Severance Benefits or Qualified Accelerated Vesting, as applicable (to the extent applicable, the “Termination Benefits”) unless, within sixty (60) days following the date of termination, you, or in the event of your death or Disability, your legal representatives, have executed a general release of all known and unknown claims and covenant not to sue in the form attached hereto as Exhibit A (with such changes to such form to help ensure enforceability under applicable law) (the “Release”), and any revocation period thereunder has lapsed without exercise by you (or your legal representatives) of such revocation right.

(g) Payment Timing. The Termination Benefits shall be paid or provided or shall commence on the first payroll period following the date the Release becomes effective (the “Payment Date”) and the first payment shall include all accrued amounts from the date of termination, provided that if the period during which you may deliver the Release required hereunder spans two (2) calendar years, the Payment Date shall be no earlier than January 1 of the second calendar year.

(h) Definitions.

(i) For purposes of this Agreement, “Change in Control” shall have the meaning set forth in the equity plan adopted by Parent in connection with its initial public offering.

(ii) As used herein, “Cause” means: (A) a willful and material act of dishonesty by you in connection with the performance of your duties as an employee of the Company; (B) your conviction of, or plea of guilty or nolo contendere to, a felony, or any crime involving fraud or embezzlement that the Board reasonably determines has had or is reasonably likely to have a materially detrimental effect on the Company’s reputation or business; (C) your gross misconduct in the performance of your duties as an employee of the Company; (D) your willful and material unauthorized use or disclosure of any proprietary information or trade secrets of the Company or any other party to whom you owe an obligation of nondisclosure as a result of your relationship with the Company; (E) your willful and material breach of any obligations under any written agreement or written covenant with the Company; or (F) your continued willful and substantial failure to perform your material employment duties that are lawfully assigned to you in good faith by your reporting superior (other than as a result of your death or Disability) after written notice. Cause shall not exist unless, in any case, you have first received a written notice from the Board that sets forth the factual basis for the Board’s determination as to any behavior or occurrence claimed as Cause and you fail to cure such claimed behavior or occurrence, if curable, to the reasonable satisfaction of a majority of the Board within ten (10)

business days after receiving such written notice, in which case your termination date will be the expiration date of the cure period, if any. For purposes of this paragraph, no act or failure to act on your part shall be considered “willful” unless it is done or omitted to be done by you in bad faith and without reasonable belief that the act or failure to act was in the best interest of the Company.

(iii) As used herein, “Good Reason” means the occurrence of one or more of the following, without your written consent: (A) a material reduction in your base salary or target annual bonus; (B) a material diminution of your title, duties, responsibilities or reporting lines; (C) a material change in the principal geographic location at which you must perform services, more than fifty (50) miles from the Company’s head office; (D) a material breach by the Company of this Agreement. Any such event shall not constitute Good Reason unless and until you have provided the Company with written notice thereof no later than sixty (60) days following the initial occurrence of such event and the Company shall have failed to remedy such event (if capable of being remedied) within thirty (30) days of receipt of such notice, and you must terminate your employment with the Company within sixty (60) days after the expiration of such thirty (30)-day remedial period.

(iv) As used herein, “Disability” means a permanent and total disability within the meaning of Section 22(e)(3) of the Code, as it may be amended from time to time.

(i) Section 409A of the Code. Any severance payments to you under this Agreement shall begin only after the date of your “separation from service” within the meaning of Internal Revenue Code Section 409A and the regulations and guidance promulgated thereunder (collectively “Section 409A”) and determined as set forth below, which occurs on or after date of the termination of your employment, and shall be subject to the following provisions:

(i) The intent of the parties is that payments and benefits under this Agreement comply with, or be exempt from Section 409A and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. For purposes of Section 409A, your right to receive any installment payments pursuant to this Agreement will be treated as a right to receive a series of separate and distinct payments. Neither the Company nor you shall have the right to accelerate or defer the delivery of any such payments except to the extent specifically permitted or required by Section 409A.

(ii) If, as of the date of your “separation from service” from the Company, you are not a “specified employee” (within the meaning of Section 409A), then each installment of the severance payments shall be made on the dates and terms set forth in this Agreement.

(iii) If, as of the date of your “separation from service” from the Company, you are a “specified employee” (within the meaning of Section 409A), then:

(A) Each installment of the severance payments that, in accordance with the dates and terms set forth in this Agreement, will in all circumstances, regardless of when the “separation from service” occurs, be paid within the short-term deferral period (as defined in Section 409A) shall be treated as a “short-term deferral” within the meaning

of Treasury Regulation Section 1.409A-1(b)(4) to the maximum extent permissible under Section 409A and shall be paid on the dates and terms set forth in this Agreement; and

(B) Each installment of the severance payments that is not described in clause (iii)(A) above and that would, absent this clause (B), be paid within the six-month period following your “separation from service” from the Company shall not be paid until the date that is six (6) months and one (1) day after such “separation from service” (or, if earlier, your death), with any such installments that are required to be delayed being accumulated during the six-month period and paid in a lump sum on the date that is six (6) months and one (1) day following your “separation from service” and any subsequent installments, if any, being paid in accordance with the dates and terms set forth in this Agreement; *provided, however*, that the preceding provisions of this clause (B) shall not apply to any installment of severance payments if and to the maximum extent that that such installment is deemed to be paid under a separation pay plan that does not provide for a deferral of compensation by reason of the application of Treasury Regulation 1.409A-1(b)(9)(iii) (relating to separation pay upon an involuntary separation from service). Any installments that qualify for the exception under Treasury Regulation Section 1.409A-1(b)(9)(iii) must be paid no later than the last day of your second taxable year following the taxable year in which the “separation from service” occurs.

(iv) The determination of whether and when your “separation from service” from the Company has occurred shall be made in a manner consistent with, and based on the presumptions set forth in, Treasury Regulation Section 1.409A-1(h). Solely for purposes of this paragraph (iv), “Company” shall include all persons with whom the Company would be considered a single employer under Section 414(b) and 414(c) of the Code.

(v) All reimbursements and in-kind benefits provided under the Agreement shall be made or provided in accordance with the requirements of Section 409A to the extent that such reimbursements or in-kind benefits are subject to Section 409A, including, where applicable, the requirements that (A) any reimbursement is for expenses incurred during your lifetime (or during a shorter period of time specified in this Agreement), (B) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (C) the reimbursement of any eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (D) the right to reimbursement is not subject to set off or liquidation or exchange for any other benefit.

(vi) Notwithstanding any other provision of this Agreement, the Company makes no representation or warranty and shall have no liability to you or to any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A but do not satisfy an exemption from, or the conditions of, that section. If either you or the Company reasonably determines that any payment to you will violate Section 409A, you and the Company agree to use reasonable best efforts to restructure the payment in a manner that is either exempt from or compliant with Section 409A to the extent that the restructuring is consistent with the original economic intent of the parties. You and the Company agree to execute any and all amendments to this Agreement (or any other applicable agreement) that are consistent with the original economic intent of the parties and promote compliance with the distribution provisions of Section 409A in an effort to avoid or minimize, to the extent allowable by law, the tax (and any interest or penalties thereon) associated with Section 409A. If it is determined that a payment to you was (or may be) made in violation of Section 409A, the

Company will cooperate, to the extent commercially reasonable, with any effort by you to mitigate the tax consequences of such violation, including cooperation with your participation in any IRS voluntary compliance program or other correction procedure under Section 409A that may be available to you; *provided*, that such correction is consistent with the commercial intent of the parties hereunder; *provided, further*, that in no event shall the Company be obligated to incur any material cost in connection with its obligations under this sentence.

(vii) Notwithstanding the foregoing, if a Change in Control would give rise to a payment or settlement event with respect to any payment or benefit that constitutes “nonqualified deferred compensation,” the transaction or event constituting the Change in Control must also constitute a “change in control event” (as defined in Treasury Regulation §1.409A-3(i)(5)) in order to give rise to the payment or settlement event for such payment or benefit, to the extent required by Section 409A.

4. Section 280G of the Code.

(a) Best Pay Provision. Notwithstanding anything to the contrary contained in this Agreement, to the extent that any of the payments and benefits provided for under this Agreement or any other agreement or arrangement between the Company and you (collectively, the “Payments”) (i) constitute a “parachute payment” within the meaning of Section 280G of the Code and (ii) but for this paragraph, would be subject to the excise tax imposed by Section 4999 of the Code, then the Payments shall be reduced to the extent necessary so that no portion of such Payments retained by you shall be subject to excise tax under Section 4999 of the Code; *provided, however*, such reduction shall only occur if after taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, such reduction results in your receipt on an after-tax basis, of the greatest amount of benefits under this Agreement, notwithstanding that all or some portion of such benefits may be taxable under Section 4999 of the Code; *provided, further*, that this sentence shall not apply if, immediately before the change in ownership or control on which such Payment is contingent or otherwise relates, no stock in the Company is readily tradeable on an established securities market or otherwise (as determined in accordance with Treasury Reg. Section 1.280G-1 Q&A 6). In the event of a determination that such reduction is to take place, reduction shall occur in the following order: first, reduction of cash payments, which shall occur in reverse chronological order such that the cash payment owed on the latest date following the occurrence of the event triggering such excise tax will be the first cash payment to be reduced; second, cancellation of accelerated vesting of equity awards, which shall occur in the reverse order of the date of grant for such stock awards (i.e., the vesting of the most recently granted stock awards will be reduced first); and third, reduction of employee benefits, which shall occur in reverse chronological order such that the benefit owed on the latest date following the occurrence of the event triggering such excise tax will be the first benefit to be reduced. If two or more equity awards are granted on the same date, each award will be reduced on a pro-rata basis.

(b) Stockholder Approval. Notwithstanding the foregoing, if any Payments would not be subject to such excise tax if the stockholder approval requirements of Section 280G(b)(5) of the Code are satisfied, subject to your waiver of the rights to such Payments in accordance with Section 280G of the Code with respect to any portion of the Payments that would otherwise be subject to excise tax imposed by Section 4999 of the Code (before giving effect to any reduction in Payments contemplated in the two preceding sentences), the Company shall use its reasonable best efforts to cause such payments to be submitted for such approval

prior to the event giving rise to such payments. To the extent the Company submits any payment or benefit payable to you under this Agreement or otherwise to the Company's stockholders for approval in accordance with Treasury Reg. Section 1.280G-1 Q&A 7, the foregoing provisions shall not apply following such submission and such payments and benefits will be treated in accordance with the results of such vote, except that any reduction in, or waiver of, such payments or benefits required by such vote will be applied without any application of discretion by you and in the order prescribed in the preceding paragraph. In no event shall you have any discretion with respect to the ordering of payment reductions.

(c) Calculations. Unless you and the Company otherwise agree in writing, any determination required under this paragraph shall be made in writing by the Company's independent public accountants immediately preceding the change in ownership or control on which such Payments are contingent or otherwise relate (the "Accountants"), whose determination shall be conclusive and binding upon you and the Company for all purposes. For purposes of making the calculations required by this Section 4, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely in reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and you shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this paragraph. The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this paragraph. If the limitation set forth in Section 4(a) is applied to reduce an amount payable to you, and the Internal Revenue Service successfully asserts that, despite the reduction, you have nonetheless received payments which are in excess of the maximum amount that could have been paid to you without being subjected to any excise tax, then, unless it would be unlawful for the Company to make such a loan or similar extension of credit to you, you may repay such excess amount to the Company as though such amount constitutes a loan to you made at the date of payment of such excess amount, bearing interest at 120% of the applicable federal rate (as determined under Section 1274(d) of the Code in respect of such loan).

5. Restrictive Covenants.

(a) No Other Agreements. You represent that you are not bound by any employment contract, restrictive covenant or other restriction preventing you from entering into employment with or carrying out your responsibilities for the Company, or which is in any way inconsistent with the terms of this Agreement.

(b) PIIA. You have previously executed the Company's Proprietary Information and Inventions Assignment Agreement, which is attached hereto as Exhibit B ("PIIA"), and you hereby reaffirm your agreements and obligations thereunder.

(c) Defend Trade Secrets Act Notice of Immunity Rights. You acknowledge that the Company has provided you with the following notice of immunity rights in compliance with the requirements of the Defend Trade Secrets Act: (i) you shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Proprietary Information (as defined in the PIIA) that is made in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law; (ii) you shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Proprietary Information that is

made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (iii) if you file a lawsuit for retaliation by the Company for reporting a suspected violation of law, you may disclose the Proprietary Information to your attorney and use the Proprietary Information in the court proceeding, if you file any document containing the Proprietary Information under seal, and do not disclose the Proprietary Information, except pursuant to court order.

6. Notices. All notices or other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or one (1) business day after being sent by a nationally recognized overnight delivery service, charges prepaid. Notices also may be given electronically via PDF and shall be effective on the date transmitted if confirmed within 48 hours thereafter by a signed original sent in the manner provided in the preceding sentence. Notice to you shall be sent to your most recent residence and personal email address on file with the Company. Notice to the Company shall be sent to its physical address set forth on the first page hereto and addressed to the Chairperson of the Board at the email address provided by the Company for such person.

7. Entire Agreement; Miscellaneous. This Agreement, together with any documents relating to the Company equity held by you, any stock grant notices or stock agreements referenced herein and the PIIA, constitutes the entire agreement and understanding between the parties as to the subject matter herein and supersedes all prior or contemporaneous agreements whether written or oral. The terms of this Agreement may only be modified in a specific writing signed by you and an authorized representative of the Company. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision hereof, which will remain in full force and effect. The terms in this Agreement may only be modified in writing and signed by you and an executive officer of the Company. In the event of any conflict between any of the terms in this Agreement and the terms of any other agreement between you and the Company, the terms of this Agreement will control. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one instrument. Execution and delivery of this Agreement by facsimile or other electronic signature is legal, valid and binding for all purposes. This Agreement is intended to bind and inure to the benefit of and be enforceable by you and the Company, and their respective successors, assigns, heirs, executors and administrators, except that you may not assign any of your duties hereunder and you may not assign any of your rights hereunder, without the written consent of the Company, which shall not be withheld unreasonably.

8. Governing Law. Your employment and this Agreement will be governed by the laws of the State of California, without reference to conflicts of laws principles which would result in the application of the law of any other jurisdiction.

9. Arbitration. To aid in the rapid and economical resolution of any disputes that may arise in the course of the employment relationship, you and the Company agree that any and all disputes, claims, or demands in any way arising out of or relating to the terms of this Agreement, Company equity held by you, your employment relationship with the Company, or the termination of your employment relationship with the Company, shall be resolved, to the fullest extent permitted by law, by final, binding and confidential arbitration in San Diego, California, conducted before a single neutral arbitrator selected and administered in accordance with the employment arbitration rules & procedures or then applicable equivalent rules of JAMS (the "JAMS Rules") and the Federal Arbitration Act, 9 U.S.C. Sec. 1, et seq. A copy of the

JAMS rules may be found on the JAMS website at www.jamsadr.com and will be provided to you by the Company upon request. BY AGREEING TO THIS ARBITRATION PROCEDURE, YOU AND THE COMPANY WAIVE THE RIGHT TO RESOLVE ANY SUCH DISPUTE, CLAIM OR DEMAND THROUGH A TRIAL BY JURY OR JUDGE OR BY ADMINISTRATIVE PROCEEDING IN ANY JURISDICTION. You will have the right to be represented by legal counsel at any arbitration proceeding, at your expense. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be available under applicable law in a court proceeding and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The arbitrator shall administer and conduct any arbitration in accordance with California law and shall apply substantive and procedural California law to any such dispute, claim or demand, without reference to any conflict-of-law provisions of any jurisdiction. To the extent that the JAMS Rules conflict with California law, California law shall take precedence. The parties agree that the prevailing party in any arbitration shall be entitled to injunctive relief in any court of competent jurisdiction to enforce the arbitration award. Nothing in this Agreement is intended to prevent either you or the Company from obtaining injunctive relief (or any other provisional remedy) in any court of competent jurisdiction pursuant to California Code of Civil Procedure Section 1281.8 to prevent irreparable harm (including, without limitation, pending the conclusion of any arbitration). The Company shall pay the arbitrator's fees, arbitration expenses and any other costs unique to the arbitration proceeding (recognizing that each side shall bear its own deposition, witness, expert and attorney's fees and other expenses to the same extent as if the matter were being heard in court).

10. Withholding and other Deductions. All compensation payable to you hereunder shall be subject to such deductions as the Company is from time to time required to make pursuant to law, governmental regulation or order.

Please acknowledge your acceptance of the terms of this Agreement by returning a signed copy of this Agreement.

Very truly yours,

Gossamer Bio Services, Inc.

By: /s/ Faheem Hasnain

Name: Faheem Hasnain

Title: Chief Executive Officer and President

Agreed and Accepted:

I have read and understood this Agreement and hereby acknowledge, accept and agree to the terms as set forth above.

/s/ Caryn Peterson

Date: April 27, 2021

Caryn Peterson

Exhibit A

Form of Release

In consideration of the Termination Benefits (as defined in the Agreement) provided and to be provided to me by Gossamer Bio Services, Inc., or any affiliate or successor thereof (the "Company") pursuant to my Agreement with Company dated April 16, 2021 (the "Agreement"), and in connection with the termination of my employment, the Company and I agree to the following, including a general release as specified below (the "Release").

1. On behalf of myself, my heirs, executors, administrators, successors and assigns, I hereby fully and forever generally release and discharge Company, its current, former and future parents, subsidiaries, affiliated companies, related entities, employee benefit plans and their fiduciaries, predecessors, successors, officers, directors, shareholders, agents, employees and assigns (collectively, the "Company Releasees") from any and all claims, causes of action, and liabilities up through the date of my execution of the Release (except with respect to Termination Benefits under the Agreement and any other rights that I have accrued under the employee benefit plans and equity award plans of the Company). The claims subject to this release include, but are not limited to, those relating to my employment with Company and/or any predecessor to the Company and the termination of such employment. All such claims (including related attorneys' fees and costs) are barred without regard to whether those claims are based on any alleged breach of a duty arising in statute, contract or tort. This expressly includes waiver and release of any rights and claims arising under any and all laws, rules, regulations and ordinances, including, but not limited to: Title VII of the Civil Rights Act of 1964; the Older Workers Benefit Protection Act; the Americans With Disabilities Act; the Age Discrimination in Employment Act; the Fair Labor Standards Act; the National Labor Relations Act; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974, as amended ("ERISA"); the Workers Adjustment and Retraining Notification Act; the California Fair Employment and Housing Act (if applicable); the provisions of the California Labor Code (if applicable); the Equal Pay Act of 1963; and any similar law of any other state or governmental entity.

2. The parties agree to apply California law in interpreting the Release. Accordingly, I further waive any rights under Section 1542 of the Civil Code of the State of California or any similar state statute. Section 1542 states:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which, if known to him or her, must have materially affected his or her settlement with the debtor.”

This Release does not extend to, and has no effect upon, (a) any benefits that have previously accrued, and to which I have become vested or otherwise entitled to, under any agreement, employee benefit plan, program or policy sponsored or maintained by the Company; (b) my right to indemnification and/or contribution, advancement or payment of related expenses by the Company under any written indemnification or other agreement between the parties; (c) my right to continued coverage by the Company's director's and officer's insurance, other insurance policies of the Company, COBRA or any similar state law; (d) any claims for breach of

this Release or the Agreement; (e) any claims that may not be released by private agreement; and (f) any claims arising after the date I sign the Release.

3. In understanding the terms of the Release and my rights, I have been advised to consult with an attorney of my choice prior to executing the Release. I understand that nothing in the Release will prohibit me from exercising legal rights that are, as a matter of law, not subject to waiver, such as: (a) my rights under applicable workers' compensation laws; (b) my right, if any, to seek state disability or unemployment benefits; (c) my right to indemnity under California Labor Code section 2802 or other applicable state-law right to indemnity; (d) my right to file a charge or complaint with a government agency such as but not limited to the Equal Employment Opportunity Commission, the National Labor Relations Board, the Department of Labor, the California Department of Fair Employment and Housing, or other applicable state agency; and (e) my right to communicate or cooperate with any governmental agency and to receive awards from or by a government agency for providing information. Moreover, I will continue to be indemnified for my actions taken while employed by the Company to the same extent as other then-current or former directors and officers of the Company under the Company's Certificate of Incorporation and Bylaws and the Indemnification Agreement between me and the Company, if any, and I will continue to be covered by the Company's directors and officers liability insurance policy as in effect from time to time to the same extent as are other then-current or former directors and officers of the Company, each subject to the requirements of the laws of the State of Delaware.

4. I understand and agree that Company will not provide me with the Termination Benefits unless I execute the Release. I also understand that I have received or will receive, regardless of the execution of the Release, all wages owed to me together with any accrued but unused paid time off, less applicable withholdings and deductions, earned through my termination date.

5. In my existing and continuing obligations to Company, I have returned to Company all Company documents (and all copies thereof) and other Company property that I have had in my possession at any time, including but not limited to Company files, notes, drawings, records, business plans and forecasts, financial information, specification, computer-recorded information, tangible property (including, but not limited to, computers, laptops, pagers, etc.), credit cards, entry cards, identification badges and keys and any materials of any kind which contain or embody any proprietary or confidential information of Company (and all reproductions thereof). I understand that, even if I did not sign the Release, I am still bound by any and all confidential/proprietary/trade secret information, non-disclosure and inventions assignment agreement(s) signed by me in connection with my employment with Company, or with a predecessor or successor of Company pursuant to the terms of such agreement(s).

6. I represent and warrant that I am the sole owner of all claims relating to my employment with Company and/or with any predecessor of Company and that I have not assigned or transferred any claims relating to my employment to any other person or entity.

7. I agree to keep the Termination Benefits and the provisions of the Release confidential and not to reveal its contents to anyone except my lawyer, my accountant, my spouse or other immediate family member and/or my financial consultant, or as required by legal process or applicable law or otherwise responding accurately and fully to any question, inquiry or request for information or documents, including, without limitation, in any criminal, civil, or regulatory

proceeding or investigation, or as necessary in any action for enforcement or claimed breach of this Release or any other legal dispute with the Company. Nothing in this Agreement shall prohibit me from reporting or disclosing information under the terms of the Company's Reporting Suspected Violations of Law Policy or such similar policy as the Company may have in effect from time to time.

8. I understand and agree that the Release will not be construed at any time as an admission of liability or wrongdoing by either the Company Releasees or me.

9. I agree that I will not make any negative or disparaging statements or comments, either as fact or as opinion, about the Company, its employees, officers, directors, shareholders, vendors, products or services, business, technologies, market position or performance. The Company agrees that it shall not, and shall cause its directors, executive officers, employees and representatives not to, make any negative or disparaging statements or comments, either as fact or as opinion, about you. Nothing in this paragraph will prohibit me or the Company from providing truthful information in response to a subpoena or other legal process.

10. Any controversy or claim arising out of or relating this Release, its enforcement or interpretation, or because of an alleged breach, default or misrepresentation in connection with any of its provisions, will be submitted to arbitration consistent with the terms of the Agreement.

11. As a condition of my receipt of the Termination Benefits, I agree that, upon reasonable notice (after taking into account, to the extent reasonably practicable, my other personal and business commitments) and without the necessity of Company obtaining a subpoena or court order, I will provide reasonable cooperation to Company in connection with any suit, action or proceeding (or any appeal from any suit, action or proceeding), or the decision to commence on behalf of the Company any suit, action or proceeding, any investigation and/or any defense of any claims asserted against the Company or any of the Company's current or former directors, officers, employees, partners, stockholders, agents or representatives of any of the foregoing, and any ongoing or future investigation or dispute or claim of any kind involving the Company that relates to events occurring during my employment as to which I may have relevant information and any other matter for which I was responsible or had knowledge of through date of my termination of employment. Such cooperation may include, but will not be limited to, providing background information within my knowledge; aiding in the drafting of declarations; executing declarations or similar documents; testifying or otherwise appearing at investigation interviews, depositions, arbitrations or court hearings; and preparing for the above-described or similar activities. Upon the reasonable request of Company, I agree to cooperate with the transition of my job responsibilities on any termination of employment and cooperate in providing information on matters on which I was involved while an employee.

12. As provided in the Older Workers Benefit Protection Act, I am hereby advised and agree that:

(a) I have had at least twenty-one (21) calendar days in which to consider whether to execute the Release, no one hurried me into executing the Release during that period and no one coerced me into executing the Release. If I signed this Release prior to the expiration of the twenty-one (21) day period, I did so voluntarily and waive the balance of the twenty-one (21) day period. I understand that the offer of the Termination Benefits and the Release will

expire on the twenty-second (22nd) calendar day after my employment termination date if I have not accepted it by that time.

- (b) I am hereby advised to consult with a lawyer before signing this Agreement.
- (c) This Release provides for consideration in addition to any amount I am otherwise entitled to receive without signing this Release.
- (d) This Release does not release any claims arising out of events occurring after I sign this Release
- (e) I may revoke this Agreement within the seven (7) day period following the date on which I signed this Release. I understand that if I revoke this release, the Company will not be obligated to provide the Termination Benefits. I further understand that Company's obligations under the Release will not become effective or enforceable until the eighth (8th) calendar day after the date I sign the Release provided that I have timely delivered it to Company (the "Release Effective Date") and have not timely revoked it. I understand that the Termination Benefits will become available to me at such time after the Release Effective Date.

13. In executing the Release, I acknowledge that I have not relied upon any statement made by Company, or any of its representatives or employees, with regard to the Release unless the representation is specifically included herein. Furthermore, the Release contains our entire understanding regarding eligibility for Termination Benefits and supersedes any or all prior representations and agreements regarding the subject matter of the Release. However, the Release does not modify, amend or supersede written Company agreements that are consistent with enforceable provisions of the Release such as my Agreement, confidential information and invention assignment agreement, and any stock, stock option and/or stock purchase agreements between Company and me. Once effective and enforceable, this Release can be changed only by another written agreement signed by me and an authorized representative of Company.

14. Should any provision of the Release be determined by an arbitrator, court of competent jurisdiction or government agency to be wholly or partially invalid or unenforceable, the legality, validity and enforceability of the remaining parts, terms or provisions are intended to remain in full force and effect. Specifically, should a court, arbitrator or agency conclude that a particular claim may not be released as a matter of law, it is the intention of the parties that the general release and the waiver of unknown claims above will otherwise remain effective to release any and all other claims. I acknowledge that I have obtained sufficient information to intelligently exercise my own judgment regarding the terms of the Release before executing the Release.

15. The Termination Benefits provided and to be provided to me by the Company consist of the applicable benefits and payments in accordance with the Agreement.

16. The Release may be executed in any number of counterparts, all of which taken together shall constitute one instrument. Execution and delivery of the Release by facsimile or other electronic signature is legal, valid and binding for all purposes.

17. The Release will be governed by and enforced under California law, without regard to its conflict of law rules that would result in the application of the laws of any other jurisdiction.

[Signature page follows]

EMPLOYEE'S ACCEPTANCE OF RELEASE

BEFORE SIGNING MY NAME TO THE RELEASE, I STATE THE FOLLOWING: I HAVE READ THE RELEASE, I UNDERSTAND IT AND I KNOW THAT I AM GIVING UP IMPORTANT RIGHTS. I HAVE OBTAINED SUFFICIENT INFORMATION TO INTELLIGENTLY EXERCISE MY OWN JUDGMENT. I HAVE BEEN ADVISED THAT I SHOULD CONSULT WITH AN ATTORNEY BEFORE SIGNING IT, AND I HAVE SIGNED THE RELEASE KNOWINGLY AND VOLUNTARILY.

EFFECTIVE UPON EXECUTION BY EMPLOYEE AND THE COMPANY.

Executed this ____ day of _____, 20__

Agreed and Accepted:

Gossamer Bio Services, Inc.

By:
Title:
Date:

Exhibit B

Proprietary Information and Inventions Assignment Agreement

GOSSAMER BIO SERVICES, INC.

PROPRIETARY INFORMATION AND INVENTIONS AGREEMENT

The following confirms an agreement (“**Agreement**”) between you and **GOSSAMER BIO SERVICES, INC.**, a Delaware corporation (the “**Company**,” which term includes the Company’s parent, Gossamer Bio, Inc. (“**Parent**”), Parent’s subsidiaries, and any other entity in which I am asked to provide services for, and each of their respective successors and assigns), which is a material part of the consideration for my employment and continued employment by the Company:

1. **PROPRIETARY INFORMATION.** I understand that my employment creates a relationship of confidence and trust between me and the Company with respect to Proprietary Information of the Company, its business partners or its customers or suppliers which may be learned by me during the period of my employment or any period prior thereto wherein I was performing services for the Company or any predecessor thereof. For purposes of this Agreement, “**Proprietary Information**” is any information, data, trade secret or know-how (whether in tangible or electronic form or maintained in mind or memory or in another intangible form of expression) that was or is developed by, or became or becomes known by the Company or me in relation to my employment with the Company or otherwise concerns the business, operations, products, or technology of the Company, or was or is assigned or otherwise conveyed to the Company. “**Proprietary Information**” also includes, without limitation, all financial, business, scientific, technical, economic and/or engineering information, including without limitation, business strategies, business plans, forecasts, strategies, development plans, promotional and marketing objectives, results of research, trials or operations, pricing, customer lists, supplier lists, patent disclosures, patent applications, know-how, trade secrets, compilations, ideas, inventions, improvements, research, discoveries, techniques, methods, processes, manufacturing techniques, procedures, formulations, designs, patterns, drawings, flow charts, schematics, tooling, plans, configurations, specifications, documents, data sheets, mock-ups, models, compounds, compositions, structures, prototypes, programs, computer code, algorithms, mechanisms, materials, equipment, samples, test results, opinions, data, analysis, the salaries, duties, qualifications, performance levels, and terms of compensation of other employees and other proprietary information. Proprietary Information does not include any of the foregoing items that is or has become publicly and widely known and made generally available through no wrongful act of mine or of others who were under confidentiality obligations as to the item or items involved.

2. **COVENANTS AND AGREEMENTS.** In consideration of my employment by the Company and the compensation received by me from the Company from time to time, I hereby agree as follows:

(a) **Confidentiality.** At all times, both during my employment by the Company and after its termination, I will keep in confidence and trust and will not use or disclose any Proprietary Information or anything relating to it without the written consent of the Company, except as may be necessary in the ordinary course of performing my duties to the Company.

(b) **Defend Trade Secrets Act Notice of Immunity Rights.** I acknowledge that the Company has provided me with the following notice of immunity rights in compliance with the requirements of the Defend Trade Secrets Act: (i) I shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Proprietary Information

that is made in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law; (ii) I shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Proprietary Information that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (iii) if I file a lawsuit for retaliation by the Company for reporting a suspected violation of law, I may disclose the Proprietary Information to my attorney and use the Proprietary Information in the court proceeding, if I file any document containing the Proprietary Information under seal, and do not disclose the Proprietary Information, except pursuant to court order.

(c) **Return of Company Documents.** In the event of the termination of my employment by me or by the Company for any reason, I shall return all physical and electronic documents and records and all apparatus, equipment and other property, or any reproduction of such property, whether or not pertaining to Proprietary Information, furnished to me by the Company or produced by myself or others in connection with my employment, to the Company immediately as and when requested by the Company.

(d) **Disclosure of Inventions.** I will promptly disclose to the Company, or any persons designated by it, all Inventions made or conceived or reduced to practice or developed by me, either alone or jointly with others, during the term of my employment or any period prior thereto wherein I was performing services for the Company or any predecessor thereof, in sufficient detail to enable the Company to practice such inventions. "Inventions" includes all improvements, inventions, discoveries, formulas, ideas, circuits, mask works, works of authorship, processes, computer programs, algorithms, techniques, schematics, industrial designs, know-how and data, whether or not patentable. I will also disclose to the Company all Inventions conceived, reduced to practice, or developed by me within six (6) months of the termination of my employment with the Company. Such disclosure shall be received by the Company in confidence and does not extend the assignment made in Section 2(e) below.

(e) **Ownership; Assignment of Inventions.** I agree that all Proprietary Information, and all Inventions which I make, conceive, reduce to practice or develop (in whole or in part, either alone or jointly with others) during my employment or any period prior thereto wherein I was performing services for the Company or any predecessor thereof, are and shall be the sole property of the Company to the maximum extent permitted by law. I hereby assign to the Company any and all rights I may have or acquire in such Inventions and/or in any other Proprietary Information of the Company and any and all worldwide patents, patent applications, copyrights, mask work rights, industrial design rights, trade secret rights and other intellectual property rights related thereto or resulting therefrom. The Company's ownership and my assignment hereunder shall not extend to Inventions that (a) qualify fully under the provisions of Section 2870 of the California Labor Code, a copy of which is attached hereto as Exhibit A, if I am employed in California or (b) I developed entirely on my own time without using the Company's equipment, supplies, facilities, or trade secret information except for those inventions that either: (1) relate at the time of conception or reduction to practice of the invention to the Company's business, or actual or demonstrably anticipated research or development of the Company; or (2) result from any work performed by me for the Company.

(f) **Assignment of Moral Rights.** In addition to the foregoing assignment of Inventions to the Company, I hereby irrevocably transfer and assign to the Company any and all "Moral Rights" (as defined below) that I may have in or with respect to any Invention. I also hereby forever waive and agree never to assert any and all Moral Rights I may have in or with

respect to any Invention, even after termination of my work on behalf of the Company. “Moral Rights” mean any rights to claim authorship of an invention to object to or prevent the modification of any Invention, or to withdraw from circulation or control the publication or distribution of any Invention, and any similar right, existing under judicial or statutory law of any country in the world, or under any treaty, regardless of whether or not such right is denominated or generally referred to as a “moral right.”

(g) **Work for Hire.** I acknowledge and agree that any copyrightable works prepared by me within the scope of my employment are “works for hire” under the Copyright Act and that the Company will be considered the author and owner of such copyrightable works.

(h) **Prior Inventions.** I have attached as Exhibit B a complete list of all Inventions or improvements that relate to the business of the Company or actual or demonstrably anticipated research or development of the Company, that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my employment by the Company or any period prior thereto wherein I was performing services for the Company or any predecessor thereof that I desire to clarify for the record are not Inventions which are to be assigned to Company under this Agreement, and I covenant that such list is complete. If no such list is attached to this Agreement, I represent that I have no such Inventions and improvements at the time of signing this Agreement. I will not use any prior Inventions in the performance of my duties without the prior express written consent of my supervisor, and if I do (but only if I do), I hereby grant to Company a perpetual, irrevocable, royalty-free, worldwide, full paid-up, transferable, sub-licensable, right and license to use and exploit the same.

(i) **Enforcement of Inventions; Further Actions.** I agree to perform, during and after my employment, all acts deemed necessary or desirable by the Company to permit and assist it, at the Company’s expense, in obtaining, maintaining and enforcing patents, copyrights, trade secret rights, rights with respect to mask works or other rights on such Inventions and/or any other Inventions I have or may at any time assign to the Company and any designee of the Company in any and all countries. Such acts may include, but are not limited to, execution of documents and assistance or cooperation in legal proceedings. I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents, as my agents and attorneys-in-fact to act for and in my behalf and instead of me, to execute and file any applications or related filings and to do all other lawfully permitted acts to further the prosecution and issuance of patents, copyrights, trade secret rights, rights with respect to mask works or other rights thereon with the same legal force and effect as if executed by me.

(j) **Records.** I agree to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that may be required by the Company) of all Proprietary Information developed by me and all Inventions made by me during the period of my employment at the Company, which records shall be available to and remain the sole property of the Company at all times.

(k) **Non-Competition.** During the period of my employment with the Company, without the prior written approval of an executive officer of the Company (or if I am an executive officer of the Company, without the prior approval of the Company’s Board of Directors), I will not, either as an employee, employer, consultant, agent, principal, partner or officer, engage or participate in any employment, business or activity that is directly competitive with the business or proposed business of the Company, and will not assist any other person or organization in directly competing with the Company, or in preparing to engage in direct

competition with the business or proposed business of the Company. The provisions of this section shall apply both during normal working hours and at all other times, including, without limitation, nights, weekends and vacation time, while I am employed by the Company.

(l) **No Solicitation.** During the term of my employment and for one (1) year thereafter, I will not, either directly or through others, solicit or attempt to solicit any employee, independent contractor or consultant of the Company to terminate his or her relationship with the Company in order to become an employee, consultant or independent contractor to or for any other person or entity, or otherwise encourage or solicit any employee of the Company to leave the Company for any reason or to devote less than all of any such employee's efforts to the affairs of the Company; provided that the foregoing shall not affect any responsibility I may have as an employee of the Company with respect to the bona fide hiring and firing of Company personnel.

(m) **No Conflicting Obligations.** I represent that my performance of all the terms of this Agreement will not breach any agreement or obligation to keep in confidence proprietary information acquired by me in confidence or in trust prior to my employment with the Company. I have not entered into, and I agree I will not enter into, any agreement either written or oral in conflict with this Agreement or in conflict with my employment with the Company.

(n) **No Improper Use of Information of Prior Employers and Others.** During my employment by the Company, I will not improperly use or disclose any confidential information or trade secrets, if any, of any former employer or any other person to whom I have an obligation of confidentiality, and I will not bring onto the premises of the Company any unpublished documents or any property belonging to any former employer or any other person to whom I have an obligation of confidentiality unless expressly authorized in writing by that former employer or person. Unless disclosed on Exhibit B hereto, I will use in the performance of my duties only information which is generally known and used by persons with training and experience comparable to my own, which is common knowledge in the industry or otherwise legally in the public domain, or which is otherwise provided or developed by the Company.

(o) **Notification of New Employer.** In the event that I leave the employ of the Company, I hereby consent to the notification of my new employer of my rights and obligations under this Agreement.

3. GENERAL PROVISIONS.

(a) **Employment.** I agree and understand that my employment with the Company constitutes "AT-WILL" employment and that nothing in this Agreement shall confer any right with respect to continuation of employment by the Company, nor shall it interfere in any way with my right or the Company's right to terminate my employment at any time, with or without cause.

(b) **Successors and Assigns.** This Agreement shall be effective as of the first day of my employment by the Company, and shall be binding upon me, my heirs, executors, assigns, and administrators and shall inure to the benefit of the Company, its subsidiaries, successors and assigns. I will not assign this Agreement or my obligations hereunder without the prior written consent of the Company, which consent may be withheld in the Company's sole discretion, and any such purported assignment without consent shall be null and void.

(c) **Survival.** The provisions of this Agreement shall survive the termination of my employment and the assignment of this Agreement by the Company to any successor in interest or other assignee.

(d) **Legal and Equitable Remedies.** Because my services are personal and unique and because I may have access to and become acquainted with the Proprietary Information of the Company, the Company shall have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief, without bond and without prejudice to any other rights and remedies that the Company may have for a breach of this Agreement.

(e) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provisions shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provisions were so excluded and shall be enforceable in accordance with its terms.

(f) **Titles.** The titles and headings appearing at the beginning of the numbered sections and at the beginning of paragraphs have been inserted for convenience only and do not constitute any part of this Agreement.

(g) **Governing Law; Consent to Personal Jurisdiction.** I understand and agree that this Agreement shall be interpreted and enforced in accordance with the laws of the State of California without regard to the conflict of laws provisions thereof. I hereby expressly consent to the personal jurisdiction of the state and federal courts located in San Diego County, California for any lawsuit filed there against me by Company arising from or related to this Agreement.

(h) **Entire Agreement; Amendment.** This Agreement and the Exhibits hereto contain the entire understanding between the parties relating to the subject matter hereof and supersede any and all prior agreements, understandings and arrangements, whether written or oral, between the parties relating to such subject matter hereof. This Agreement may only be amended in writing by the Company and me and our respective permitted successors and assigns.

(i) **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall be deemed one instrument.

[Signature Page Follows]

/s/ Caryn Peterson
Name: Caryn Peterson

Accepted and Agreed to:

Gossamer Bio Services, Inc.

By: /s/ Christian Waage
Name: Christian Waage
Title: EVP & General Counsel

SIGNATURE PAGE TO PROPRIETARY INFORMATION AND INVENTIONS AGREEMENT

EXHIBIT A

§2870. Application of provision providing that employee shall assign or offer to assign rights in invention to employer.

(a) Any provisions in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either: (1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or (2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

EXHIBIT B

GOSSAMER BIO SERVICES, INC.

Ladies and Gentlemen:

1. The following is a complete list of all inventions or improvements that relate to the business of GOSSAMER BIO SERVICES, INC. (the "Company") or actual or demonstrably anticipated research or development of the Company, that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my employment by the Company or any period prior thereto wherein I was performing services for the Company or any predecessor thereof that I desire to clarify for the record are not Inventions which are to be assigned to Company under the Company's Proprietary Information and Inventions Agreement.

No inventions or improvements.

See below:

<u>Invention Description</u>	<u>Patent No.</u>	<u>Date of Issue</u>
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Additional sheets attached.

2. I propose to bring to my employment the following materials and documents of a former employer (provide copies of express written authorizations by former employer, if applicable):

No materials or documents.

/s/ Caryn Peterson

Print Name: Caryn Peterson

Gossamer Bio Services, Inc.
3013 Science Park Road
San Diego, CA 92112

May 1, 2021

Laura Carter
c/o Gossamer Bio Services, Inc.
3013 Science Park Road, Suite 200
San Diego, CA 92112

Dear Laura:

This amended and restated letter agreement (this "Agreement") confirms the terms of your continuing employment with Gossamer Bio Services, Inc. (the "Company"), a wholly-owned subsidiary of Gossamer Bio, Inc. (the "Parent"). This Agreement is effective as of May 1, 2021 (the "Effective Date").

1. Title and Duties.

(a) Title and Duties. You will be employed by the Company, on a full-time basis, as its Chief Scientific Officer and to serve as an officer with that same position of Parent, working out of the Company's headquarters located in San Diego, California. You shall have all the duties, responsibilities and authority commensurate with these positions, subject to the supervision of, and reporting directly to, the Chief Executive Officer of the Company (the "Supervising Officer"). For the avoidance of doubt, all references in this Agreement to your "employment with the Company" shall include your employment with the Company and any of its affiliates and subsidiaries, as applicable.

(b) Time Commitment; Outside Activities. You agree to perform the duties and responsibilities of your positions, and such other duties and responsibilities as shall from time to time be mutually agreed upon between you and the Supervising Officer. You agree that, while employed by the Company, you will devote substantially all of your business time and your best efforts, business judgment, skill and knowledge exclusively to the advancement of the business and interests of the Company and to the discharge of your duties and responsibilities for it; *provided, however*, it is agreed that you may participate in outside charitable, civic, educational, professional, community or industry activities to the extent such activities do not individually or in the aggregate interfere with your duties and responsibilities to the Company or create an actual or potential conflict of interest with the Company's business; *provided, further*, that your service on any outside boards (whether for profit or non-profit) shall require the prior consent of the Supervising Officer. You agree to abide by the rules, regulations, instructions, personnel practices and policies of the Company, as adopted and amended from time to time by the Company.

2. Compensation.

(a) Base Salary. You will receive an annual base salary of \$400,000, payable in accordance with the normal payroll practices of the Company in effect from time to time. Your performance will be reviewed by the Compensation Committee of the Board of Directors of Parent (the "Board") or the Supervising Officer on an annual basis in conjunction with an annual salary review.

(b) Annual Bonus. Commencing with calendar year 2021, you will be eligible to receive an annual cash incentive bonus with a target amount equal to 40% of your then-current annual base salary (the "Target Bonus"). Your bonus in respect of 2021, and any future bonuses, will be subject to the terms of the applicable bonus plan developed and approved by the Board or the Compensation Committee of the Board. Any bonus awarded will be paid on or before March 15 of the calendar year immediately following the year for which the bonus was awarded, subject to your employment at the end of the calendar year for which the bonus is due, except as otherwise expressly provided for herein. To the extent your employment commenced following January 1, your annual bonus will be pro-rated to reflect your service during that year.

(c) Benefits. You will be eligible to participate in any and all benefit programs that the Company establishes and makes available to its employees from time to time, provided that you are eligible under (and subject to all provisions of) the plan documents that govern those programs. Benefits are subject to change at any time in the Company's sole discretion.

(d) Expense Reimbursements. The Company will reimburse you for all reasonable business expenses incurred by you in the performance of your duties, subject to the Company's expense reimbursement policies applicable to senior executives in effect from time to time.

(e) Paid Time Off. You will be entitled to paid time off in accordance with the policies of the Company.

3. At-Will Employment; Termination.

(a) At-Will Employment; Notice of Resignation. This Agreement shall not be construed as an agreement, either express or implied, to employ you for any stated term, and shall in no way alter the Company's policy of employment at-will, under which both the Company and you remain free to end the employment relationship for any reason, at any time, with or without cause or notice. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at-will" nature of your employment may only be changed by a written agreement signed by you and an executive officer of the Company, which expressly states the intention to modify the at-will nature of your employment. Similarly, nothing in this Agreement shall be construed as an agreement, either express or implied, to pay you any compensation or grant you any benefit beyond the end of your employment with the Company, except as otherwise explicitly set forth herein.

(b) Termination Payment. In the event your employment with the Company ever terminates, on your last day of employment, you will receive your accrued but unpaid base salary and all accrued but unused paid time off through the last day of your employment, in

accordance with the Company's then-current payroll policies and practices (the "Termination Payment").

(c) Termination Without Cause or Resignation For Good Reason Prior to a Change in Control or More Than 12 Months Following a Change in Control. Without otherwise limiting the "at-will" nature of your employment, in the event your employment is terminated at any time by the Company (or any of its subsidiaries or affiliates, as applicable, or any of their respective successors or assigns) without Cause (as defined below) (excluding by reason of your death and Disability (as defined below)) or by you for Good Reason in each case prior to a Change in Control (as defined below) or more than twelve (12) months following a Change in Control, then, in addition to the Termination Payment, the Company shall provide the following payments and benefits ("Severance Benefits"): (i) continued payment of your base salary at the then-current rate per pay period for a period of nine (9) months following your termination date, in accordance with the Company's then-current payroll policies and practices; and (ii) provided you timely elect and remain eligible for coverage pursuant to Part 6 of Title I of ERISA, or similar state law (collectively, "COBRA"), payment or reimbursement to you of an amount equal to the full monthly premium for COBRA continuation coverage under the Company's medical plans as in effect on the date of your termination with respect to the level of coverage in effect for you and your eligible dependents as of the date of your termination, on a monthly basis on the first business day of the calendar month next following the calendar month in which the applicable COBRA premiums were paid, with respect to the period from the date of your termination until the earlier of (x) nine (9) months following such date and (y) the date you become eligible for coverage under a subsequent employer's medical plan.

(d) Termination Without Cause or Resignation For Good Reason Within 12 Months Following a Change in Control. In the event your employment is terminated at any time by the Company (or any of its subsidiaries or affiliates, as applicable, or any of their respective successors or assigns) without Cause (excluding by reason of your death and Disability) or by you for Good Reason, in each case on or within twelve (12) months after a Change in Control, then, in addition to the Termination Payment, the Company shall provide the following payments and benefits ("Change in Control Severance Benefits"): (i) continued payment of your base salary at the then-current rate per pay period for a period of twelve (12) months following your termination date, in accordance with the Company's then-current payroll policies and practices; (ii) payment of your Target Bonus for the calendar year during which your date of termination occurs, on the Payment Date; (iii) full vesting of any unvested portion of any equity awards then held by you, which shall no longer be subject to any restrictions or forfeiture, and full exercisability with respect to stock options and similar awards; and (iv) provided you timely elect and remain eligible for coverage pursuant to COBRA, payment or reimbursement to you of an amount equal to the full monthly premium for COBRA continuation coverage under the Company's medical plans as in effect on the date of your termination with respect to the level of coverage in effect for you and your eligible dependents as of the date of your termination, on a monthly basis on the first business day of the calendar month next following the calendar month in which the applicable COBRA premiums were paid, with respect to the period from the date of your termination until the earlier of (x) twelve (12) months following such date and (y) the date you become eligible for coverage under a subsequent employer's medical plan. Notwithstanding anything to the contrary and for the avoidance of doubt, any Change in Control Severance Benefits paid to you shall be instead of, and not in addition to, any Severance Benefits that may be paid to you.

(e) Death or Disability. In the event your employment is terminated at any time by the Company (or any of its subsidiaries or affiliates, as applicable, or any of their respective successors or assigns) by reason of your death or Disability, then, in addition to the Termination Payment, the Company shall provide that the greater of (i) fifty percent (50%) of the unvested portion of any equity awards then held by you immediately prior to such termination or (ii) the portion of such equity awards that would have otherwise vested in the nine (9) month period following the date of such termination of employment, shall vest and shall no longer be subject to restrictions or forfeiture on the date of such termination (“Qualified Accelerated Vesting”).

(f) Release. Notwithstanding anything to the contrary in the foregoing, you will not be entitled to receive any Severance Benefits, Change in Control Severance Benefits or Qualified Accelerated Vesting, as applicable (to the extent applicable, the “Termination Benefits”) unless, within sixty (60) days following the date of termination, you, or in the event of your death or Disability, your legal representatives, have executed a general release of all known and unknown claims and covenant not to sue in the form attached hereto as Exhibit A (with such changes to such form to help ensure enforceability under applicable law) (the “Release”), and any revocation period thereunder has lapsed without exercise by you (or your legal representatives) of such revocation right.

(g) Payment Timing. The Termination Benefits shall be paid or provided or shall commence on the first payroll period following the date the Release becomes effective (the “Payment Date”) and the first payment shall include all accrued amounts from the date of termination, provided that if the period during which you may deliver the Release required hereunder spans two (2) calendar years, the Payment Date shall be no earlier than January 1 of the second calendar year.

(h) Definitions.

(i) For purposes of this Agreement, “Change in Control” shall have the meaning set forth in the equity plan adopted by Parent in connection with its initial public offering.

(ii) As used herein, “Cause” means: (A) a willful and material act of dishonesty by you in connection with the performance of your duties as an employee of the Company; (B) your conviction of, or plea of guilty or nolo contendere to, a felony, or any crime involving fraud or embezzlement that the Board reasonably determines has had or is reasonably likely to have a materially detrimental effect on the Company’s reputation or business; (C) your gross misconduct in the performance of your duties as an employee of the Company; (D) your willful and material unauthorized use or disclosure of any proprietary information or trade secrets of the Company or any other party to whom you owe an obligation of nondisclosure as a result of your relationship with the Company; (E) your willful and material breach of any obligations under any written agreement or written covenant with the Company; or (F) your continued willful and substantial failure to perform your material employment duties that are lawfully assigned to you in good faith by your reporting superior (other than as a result of your death or Disability) after written notice. Cause shall not exist unless, in any case, you have first received a written notice from the Board that sets forth the factual basis for the Board’s determination as to any behavior or occurrence claimed as Cause and you fail to cure such claimed behavior or occurrence, if curable, to the reasonable satisfaction of a majority of the Board within ten (10)

business days after receiving such written notice, in which case your termination date will be the expiration date of the cure period, if any. For purposes of this paragraph, no act or failure to act on your part shall be considered “willful” unless it is done or omitted to be done by you in bad faith and without reasonable belief that the act or failure to act was in the best interest of the Company.

(iii) As used herein, “Good Reason” means the occurrence of one or more of the following, without your written consent: (A) a material reduction in your base salary or target annual bonus; (B) a material diminution of your title, duties, responsibilities or reporting lines; (C) a material change in the principal geographic location at which you must perform services, more than fifty (50) miles from the Company’s head office; (D) a material breach by the Company of this Agreement. Any such event shall not constitute Good Reason unless and until you have provided the Company with written notice thereof no later than sixty (60) days following the initial occurrence of such event and the Company shall have failed to remedy such event (if capable of being remedied) within thirty (30) days of receipt of such notice, and you must terminate your employment with the Company within sixty (60) days after the expiration of such thirty (30)-day remedial period.

(iv) As used herein, “Disability” means a permanent and total disability within the meaning of Section 22(e)(3) of the Code, as it may be amended from time to time.

(i) Section 409A of the Code. Any severance payments to you under this Agreement shall begin only after the date of your “separation from service” within the meaning of Internal Revenue Code Section 409A and the regulations and guidance promulgated thereunder (collectively “Section 409A”) and determined as set forth below, which occurs on or after date of the termination of your employment, and shall be subject to the following provisions:

(i) The intent of the parties is that payments and benefits under this Agreement comply with, or be exempt from Section 409A and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. For purposes of Section 409A, your right to receive any installment payments pursuant to this Agreement will be treated as a right to receive a series of separate and distinct payments. Neither the Company nor you shall have the right to accelerate or defer the delivery of any such payments except to the extent specifically permitted or required by Section 409A.

(ii) If, as of the date of your “separation from service” from the Company, you are not a “specified employee” (within the meaning of Section 409A), then each installment of the severance payments shall be made on the dates and terms set forth in this Agreement.

(iii) If, as of the date of your “separation from service” from the Company, you are a “specified employee” (within the meaning of Section 409A), then:

(A) Each installment of the severance payments that, in accordance with the dates and terms set forth in this Agreement, will in all circumstances, regardless of when the “separation from service” occurs, be paid within the short-term deferral period (as defined in Section 409A) shall be treated as a “short-term deferral” within the meaning

of Treasury Regulation Section 1.409A-1(b)(4) to the maximum extent permissible under Section 409A and shall be paid on the dates and terms set forth in this Agreement; and

(B) Each installment of the severance payments that is not described in clause (iii)(A) above and that would, absent this clause (B), be paid within the six-month period following your “separation from service” from the Company shall not be paid until the date that is six (6) months and one (1) day after such “separation from service” (or, if earlier, your death), with any such installments that are required to be delayed being accumulated during the six-month period and paid in a lump sum on the date that is six (6) months and one (1) day following your “separation from service” and any subsequent installments, if any, being paid in accordance with the dates and terms set forth in this Agreement; *provided, however*, that the preceding provisions of this clause (B) shall not apply to any installment of severance payments if and to the maximum extent that that such installment is deemed to be paid under a separation pay plan that does not provide for a deferral of compensation by reason of the application of Treasury Regulation 1.409A-1(b)(9)(iii) (relating to separation pay upon an involuntary separation from service). Any installments that qualify for the exception under Treasury Regulation Section 1.409A-1(b)(9)(iii) must be paid no later than the last day of your second taxable year following the taxable year in which the “separation from service” occurs.

(iv) The determination of whether and when your “separation from service” from the Company has occurred shall be made in a manner consistent with, and based on the presumptions set forth in, Treasury Regulation Section 1.409A-1(h). Solely for purposes of this paragraph (iv), “Company” shall include all persons with whom the Company would be considered a single employer under Section 414(b) and 414(c) of the Code.

(v) All reimbursements and in-kind benefits provided under the Agreement shall be made or provided in accordance with the requirements of Section 409A to the extent that such reimbursements or in-kind benefits are subject to Section 409A, including, where applicable, the requirements that (A) any reimbursement is for expenses incurred during your lifetime (or during a shorter period of time specified in this Agreement), (B) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (C) the reimbursement of any eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (D) the right to reimbursement is not subject to set off or liquidation or exchange for any other benefit.

(vi) Notwithstanding any other provision of this Agreement, the Company makes no representation or warranty and shall have no liability to you or to any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A but do not satisfy an exemption from, or the conditions of, that section. If either you or the Company reasonably determines that any payment to you will violate Section 409A, you and the Company agree to use reasonable best efforts to restructure the payment in a manner that is either exempt from or compliant with Section 409A to the extent that the restructuring is consistent with the original economic intent of the parties. You and the Company agree to execute any and all amendments to this Agreement (or any other applicable agreement) that are consistent with the original economic intent of the parties and promote compliance with the distribution provisions of Section 409A in an effort to avoid or minimize, to the extent allowable by law, the tax (and any interest or penalties thereon) associated with Section 409A. If it is determined that a payment to you was (or may be) made in violation of Section 409A, the

Company will cooperate, to the extent commercially reasonable, with any effort by you to mitigate the tax consequences of such violation, including cooperation with your participation in any IRS voluntary compliance program or other correction procedure under Section 409A that may be available to you; *provided*, that such correction is consistent with the commercial intent of the parties hereunder; *provided, further*, that in no event shall the Company be obligated to incur any material cost in connection with its obligations under this sentence.

(vii) Notwithstanding the foregoing, if a Change in Control would give rise to a payment or settlement event with respect to any payment or benefit that constitutes “nonqualified deferred compensation,” the transaction or event constituting the Change in Control must also constitute a “change in control event” (as defined in Treasury Regulation §1.409A-3(i)(5)) in order to give rise to the payment or settlement event for such payment or benefit, to the extent required by Section 409A.

4. Section 280G of the Code.

(a) Best Pay Provision. Notwithstanding anything to the contrary contained in this Agreement, to the extent that any of the payments and benefits provided for under this Agreement or any other agreement or arrangement between the Company and you (collectively, the “Payments”) (i) constitute a “parachute payment” within the meaning of Section 280G of the Code and (ii) but for this paragraph, would be subject to the excise tax imposed by Section 4999 of the Code, then the Payments shall be reduced to the extent necessary so that no portion of such Payments retained by you shall be subject to excise tax under Section 4999 of the Code; *provided, however*, such reduction shall only occur if after taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, such reduction results in your receipt on an after-tax basis, of the greatest amount of benefits under this Agreement, notwithstanding that all or some portion of such benefits may be taxable under Section 4999 of the Code; *provided, further*, that this sentence shall not apply if, immediately before the change in ownership or control on which such Payment is contingent or otherwise relates, no stock in the Company is readily tradeable on an established securities market or otherwise (as determined in accordance with Treasury Reg. Section 1.280G-1 Q&A 6). In the event of a determination that such reduction is to take place, reduction shall occur in the following order: first, reduction of cash payments, which shall occur in reverse chronological order such that the cash payment owed on the latest date following the occurrence of the event triggering such excise tax will be the first cash payment to be reduced; second, cancellation of accelerated vesting of equity awards, which shall occur in the reverse order of the date of grant for such stock awards (i.e., the vesting of the most recently granted stock awards will be reduced first); and third, reduction of employee benefits, which shall occur in reverse chronological order such that the benefit owed on the latest date following the occurrence of the event triggering such excise tax will be the first benefit to be reduced. If two or more equity awards are granted on the same date, each award will be reduced on a pro-rata basis.

(b) Stockholder Approval. Notwithstanding the foregoing, if any Payments would not be subject to such excise tax if the stockholder approval requirements of Section 280G(b)(5) of the Code are satisfied, subject to your waiver of the rights to such Payments in accordance with Section 280G of the Code with respect to any portion of the Payments that would otherwise be subject to excise tax imposed by Section 4999 of the Code (before giving effect to any reduction in Payments contemplated in the two preceding sentences), the Company shall use its reasonable best efforts to cause such payments to be submitted for such approval

prior to the event giving rise to such payments. To the extent the Company submits any payment or benefit payable to you under this Agreement or otherwise to the Company's stockholders for approval in accordance with Treasury Reg. Section 1.280G-1 Q&A 7, the foregoing provisions shall not apply following such submission and such payments and benefits will be treated in accordance with the results of such vote, except that any reduction in, or waiver of, such payments or benefits required by such vote will be applied without any application of discretion by you and in the order prescribed in the preceding paragraph. In no event shall you have any discretion with respect to the ordering of payment reductions.

(c) Calculations. Unless you and the Company otherwise agree in writing, any determination required under this paragraph shall be made in writing by the Company's independent public accountants immediately preceding the change in ownership or control on which such Payments are contingent or otherwise relate (the "Accountants"), whose determination shall be conclusive and binding upon you and the Company for all purposes. For purposes of making the calculations required by this Section 4, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely in reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and you shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this paragraph. The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this paragraph. If the limitation set forth in Section 4(a) is applied to reduce an amount payable to you, and the Internal Revenue Service successfully asserts that, despite the reduction, you have nonetheless received payments which are in excess of the maximum amount that could have been paid to you without being subjected to any excise tax, then, unless it would be unlawful for the Company to make such a loan or similar extension of credit to you, you may repay such excess amount to the Company as though such amount constitutes a loan to you made at the date of payment of such excess amount, bearing interest at 120% of the applicable federal rate (as determined under Section 1274(d) of the Code in respect of such loan).

5. Restrictive Covenants.

(a) No Other Agreements. You represent that you are not bound by any employment contract, restrictive covenant or other restriction preventing you from entering into employment with or carrying out your responsibilities for the Company, or which is in any way inconsistent with the terms of this Agreement.

(b) PIIA. You have previously executed the Company's Proprietary Information and Inventions Assignment Agreement, which is attached hereto as Exhibit B ("PIIA"), and you hereby reaffirm your agreements and obligations thereunder.

(c) Defend Trade Secrets Act Notice of Immunity Rights. You acknowledge that the Company has provided you with the following notice of immunity rights in compliance with the requirements of the Defend Trade Secrets Act: (i) you shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Proprietary Information (as defined in the PIIA) that is made in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law; (ii) you shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Proprietary Information that is

made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (iii) if you file a lawsuit for retaliation by the Company for reporting a suspected violation of law, you may disclose the Proprietary Information to your attorney and use the Proprietary Information in the court proceeding, if you file any document containing the Proprietary Information under seal, and do not disclose the Proprietary Information, except pursuant to court order.

6. Notices. All notices or other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or one (1) business day after being sent by a nationally recognized overnight delivery service, charges prepaid. Notices also may be given electronically via PDF and shall be effective on the date transmitted if confirmed within 48 hours thereafter by a signed original sent in the manner provided in the preceding sentence. Notice to you shall be sent to your most recent residence and personal email address on file with the Company. Notice to the Company shall be sent to its physical address set forth on the first page hereto and addressed to the Chairperson of the Board at the email address provided by the Company for such person.

7. Entire Agreement; Miscellaneous. This Agreement, together with any documents relating to the Company equity held by you, any stock grant notices or stock agreements referenced herein and the PIIA, constitutes the entire agreement and understanding between the parties as to the subject matter herein and supersedes all prior or contemporaneous agreements whether written or oral. The terms of this Agreement may only be modified in a specific writing signed by you and an authorized representative of the Company. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision hereof, which will remain in full force and effect. The terms in this Agreement may only be modified in writing and signed by you and an executive officer of the Company. In the event of any conflict between any of the terms in this Agreement and the terms of any other agreement between you and the Company, the terms of this Agreement will control. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one instrument. Execution and delivery of this Agreement by facsimile or other electronic signature is legal, valid and binding for all purposes. This Agreement is intended to bind and inure to the benefit of and be enforceable by you and the Company, and their respective successors, assigns, heirs, executors and administrators, except that you may not assign any of your duties hereunder and you may not assign any of your rights hereunder, without the written consent of the Company, which shall not be withheld unreasonably.

8. Governing Law. Your employment and this Agreement will be governed by the laws of the State of California, without reference to conflicts of laws principles which would result in the application of the law of any other jurisdiction.

9. Arbitration. To aid in the rapid and economical resolution of any disputes that may arise in the course of the employment relationship, you and the Company agree that any and all disputes, claims, or demands in any way arising out of or relating to the terms of this Agreement, Company equity held by you, your employment relationship with the Company, or the termination of your employment relationship with the Company, shall be resolved, to the fullest extent permitted by law, by final, binding and confidential arbitration in San Diego, California, conducted before a single neutral arbitrator selected and administered in accordance with the employment arbitration rules & procedures or then applicable equivalent rules of JAMS (the "JAMS Rules") and the Federal Arbitration Act, 9 U.S.C. Sec. 1, et seq. A copy of the

JAMS rules may be found on the JAMS website at www.jamsadr.com and will be provided to you by the Company upon request. BY AGREEING TO THIS ARBITRATION PROCEDURE, YOU AND THE COMPANY WAIVE THE RIGHT TO RESOLVE ANY SUCH DISPUTE, CLAIM OR DEMAND THROUGH A TRIAL BY JURY OR JUDGE OR BY ADMINISTRATIVE PROCEEDING IN ANY JURISDICTION. You will have the right to be represented by legal counsel at any arbitration proceeding, at your expense. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be available under applicable law in a court proceeding and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The arbitrator shall administer and conduct any arbitration in accordance with California law and shall apply substantive and procedural California law to any such dispute, claim or demand, without reference to any conflict-of-law provisions of any jurisdiction. To the extent that the JAMS Rules conflict with California law, California law shall take precedence. The parties agree that the prevailing party in any arbitration shall be entitled to injunctive relief in any court of competent jurisdiction to enforce the arbitration award. Nothing in this Agreement is intended to prevent either you or the Company from obtaining injunctive relief (or any other provisional remedy) in any court of competent jurisdiction pursuant to California Code of Civil Procedure Section 1281.8 to prevent irreparable harm (including, without limitation, pending the conclusion of any arbitration). The Company shall pay the arbitrator's fees, arbitration expenses and any other costs unique to the arbitration proceeding (recognizing that each side shall bear its own deposition, witness, expert and attorney's fees and other expenses to the same extent as if the matter were being heard in court).

10. Withholding and other Deductions. All compensation payable to you hereunder shall be subject to such deductions as the Company is from time to time required to make pursuant to law, governmental regulation or order.

Please acknowledge your acceptance of the terms of this Agreement by returning a signed copy of this Agreement.

Very truly yours,

Gossamer Bio Services, Inc.

By: /s/ Faheem Hasnain

Name: Faheem Hasnain

Title: Chief Executive Officer and President

Agreed and Accepted:

I have read and understood this Agreement and hereby acknowledge, accept and agree to the terms as set forth above.

/s/ Laura Carter

Date: May 4, 2021

Laura Carter

Exhibit A

Form of Release

In consideration of the Termination Benefits (as defined in the Agreement) provided and to be provided to me by Gossamer Bio Services, Inc., or any affiliate or successor thereof (the "Company") pursuant to my Agreement with Company dated May 1, 2021 (the "Agreement"), and in connection with the termination of my employment, the Company and I agree to the following, including a general release as specified below (the "Release").

1. On behalf of myself, my heirs, executors, administrators, successors and assigns, I hereby fully and forever generally release and discharge Company, its current, former and future parents, subsidiaries, affiliated companies, related entities, employee benefit plans and their fiduciaries, predecessors, successors, officers, directors, shareholders, agents, employees and assigns (collectively, the "Company Releasees") from any and all claims, causes of action, and liabilities up through the date of my execution of the Release (except with respect to Termination Benefits under the Agreement and any other rights that I have accrued under the employee benefit plans and equity award plans of the Company). The claims subject to this release include, but are not limited to, those relating to my employment with Company and/or any predecessor to the Company and the termination of such employment. All such claims (including related attorneys' fees and costs) are barred without regard to whether those claims are based on any alleged breach of a duty arising in statute, contract or tort. This expressly includes waiver and release of any rights and claims arising under any and all laws, rules, regulations and ordinances, including, but not limited to: Title VII of the Civil Rights Act of 1964; the Older Workers Benefit Protection Act; the Americans With Disabilities Act; the Age Discrimination in Employment Act; the Fair Labor Standards Act; the National Labor Relations Act; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974, as amended ("ERISA"); the Workers Adjustment and Retraining Notification Act; the California Fair Employment and Housing Act (if applicable); the provisions of the California Labor Code (if applicable); the Equal Pay Act of 1963; and any similar law of any other state or governmental entity.

2. The parties agree to apply California law in interpreting the Release. Accordingly, I further waive any rights under Section 1542 of the Civil Code of the State of California or any similar state statute. Section 1542 states:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which, if known to him or her, must have materially affected his or her settlement with the debtor.”

This Release does not extend to, and has no effect upon, (a) any benefits that have previously accrued, and to which I have become vested or otherwise entitled to, under any agreement, employee benefit plan, program or policy sponsored or maintained by the Company; (b) my right to indemnification and/or contribution, advancement or payment of related expenses by the Company under any written indemnification or other agreement between the parties; (c) my right to continued coverage by the Company's director's and officer's insurance, other insurance policies of the Company, COBRA or any similar state law; (d) any claims for breach of

this Release or the Agreement; (e) any claims that may not be released by private agreement; and (f) any claims arising after the date I sign the Release.

3. In understanding the terms of the Release and my rights, I have been advised to consult with an attorney of my choice prior to executing the Release. I understand that nothing in the Release will prohibit me from exercising legal rights that are, as a matter of law, not subject to waiver, such as: (a) my rights under applicable workers' compensation laws; (b) my right, if any, to seek state disability or unemployment benefits; (c) my right to indemnity under California Labor Code section 2802 or other applicable state-law right to indemnity; (d) my right to file a charge or complaint with a government agency such as but not limited to the Equal Employment Opportunity Commission, the National Labor Relations Board, the Department of Labor, the California Department of Fair Employment and Housing, or other applicable state agency; and (e) my right to communicate or cooperate with any governmental agency and to receive awards from or by a government agency for providing information. Moreover, I will continue to be indemnified for my actions taken while employed by the Company to the same extent as other then-current or former directors and officers of the Company under the Company's Certificate of Incorporation and Bylaws and the Indemnification Agreement between me and the Company, if any, and I will continue to be covered by the Company's directors and officers liability insurance policy as in effect from time to time to the same extent as are other then-current or former directors and officers of the Company, each subject to the requirements of the laws of the State of Delaware.

4. I understand and agree that Company will not provide me with the Termination Benefits unless I execute the Release. I also understand that I have received or will receive, regardless of the execution of the Release, all wages owed to me together with any accrued but unused paid time off, less applicable withholdings and deductions, earned through my termination date.

5. In my existing and continuing obligations to Company, I have returned to Company all Company documents (and all copies thereof) and other Company property that I have had in my possession at any time, including but not limited to Company files, notes, drawings, records, business plans and forecasts, financial information, specification, computer-recorded information, tangible property (including, but not limited to, computers, laptops, pagers, etc.), credit cards, entry cards, identification badges and keys and any materials of any kind which contain or embody any proprietary or confidential information of Company (and all reproductions thereof). I understand that, even if I did not sign the Release, I am still bound by any and all confidential/proprietary/trade secret information, non-disclosure and inventions assignment agreement(s) signed by me in connection with my employment with Company, or with a predecessor or successor of Company pursuant to the terms of such agreement(s).

6. I represent and warrant that I am the sole owner of all claims relating to my employment with Company and/or with any predecessor of Company and that I have not assigned or transferred any claims relating to my employment to any other person or entity.

7. I agree to keep the Termination Benefits and the provisions of the Release confidential and not to reveal its contents to anyone except my lawyer, my accountant, my spouse or other immediate family member and/or my financial consultant, or as required by legal process or applicable law or otherwise responding accurately and fully to any question, inquiry or request for information or documents, including, without limitation, in any criminal, civil, or regulatory

proceeding or investigation, or as necessary in any action for enforcement or claimed breach of this Release or any other legal dispute with the Company. Nothing in this Agreement shall prohibit me from reporting or disclosing information under the terms of the Company's Reporting Suspected Violations of Law Policy or such similar policy as the Company may have in effect from time to time.

8. I understand and agree that the Release will not be construed at any time as an admission of liability or wrongdoing by either the Company Releasees or me.

9. I agree that I will not make any negative or disparaging statements or comments, either as fact or as opinion, about the Company, its employees, officers, directors, shareholders, vendors, products or services, business, technologies, market position or performance. The Company agrees that it shall not, and shall cause its directors, executive officers, employees and representatives not to, make any negative or disparaging statements or comments, either as fact or as opinion, about you. Nothing in this paragraph will prohibit me or the Company from providing truthful information in response to a subpoena or other legal process.

10. Any controversy or claim arising out of or relating this Release, its enforcement or interpretation, or because of an alleged breach, default or misrepresentation in connection with any of its provisions, will be submitted to arbitration consistent with the terms of the Agreement.

11. As a condition of my receipt of the Termination Benefits, I agree that, upon reasonable notice (after taking into account, to the extent reasonably practicable, my other personal and business commitments) and without the necessity of Company obtaining a subpoena or court order, I will provide reasonable cooperation to Company in connection with any suit, action or proceeding (or any appeal from any suit, action or proceeding), or the decision to commence on behalf of the Company any suit, action or proceeding, any investigation and/or any defense of any claims asserted against the Company or any of the Company's current or former directors, officers, employees, partners, stockholders, agents or representatives of any of the foregoing, and any ongoing or future investigation or dispute or claim of any kind involving the Company that relates to events occurring during my employment as to which I may have relevant information and any other matter for which I was responsible or had knowledge of through date of my termination of employment. Such cooperation may include, but will not be limited to, providing background information within my knowledge; aiding in the drafting of declarations; executing declarations or similar documents; testifying or otherwise appearing at investigation interviews, depositions, arbitrations or court hearings; and preparing for the above-described or similar activities. Upon the reasonable request of Company, I agree to cooperate with the transition of my job responsibilities on any termination of employment and cooperate in providing information on matters on which I was involved while an employee.

12. As provided in the Older Workers Benefit Protection Act, I am hereby advised and agree that:

(a) I have had at least twenty-one (21) calendar days in which to consider whether to execute the Release, no one hurried me into executing the Release during that period and no one coerced me into executing the Release. If I signed this Release prior to the expiration of the twenty-one (21) day period, I did so voluntarily and waive the balance of the twenty-one (21) day period. I understand that the offer of the Termination Benefits and the Release will

expire on the twenty-second (22nd) calendar day after my employment termination date if I have not accepted it by that time.

(b) I am hereby advised to consult with a lawyer before signing this Agreement.

(c) This Release provides for consideration in addition to any amount I am otherwise entitled to receive without signing this Release.

(d) This Release does not release any claims arising out of events occurring after I sign this Release

(e) I may revoke this Agreement within the seven (7) day period following the date on which I signed this Release. I understand that if I revoke this release, the Company will not be obligated to provide the Termination Benefits. I further understand that Company's obligations under the Release will not become effective or enforceable until the eighth (8th) calendar day after the date I sign the Release provided that I have timely delivered it to Company (the "Release Effective Date") and have not timely revoked it. I understand that the Termination Benefits will become available to me at such time after the Release Effective Date.

13. In executing the Release, I acknowledge that I have not relied upon any statement made by Company, or any of its representatives or employees, with regard to the Release unless the representation is specifically included herein. Furthermore, the Release contains our entire understanding regarding eligibility for Termination Benefits and supersedes any or all prior representations and agreements regarding the subject matter of the Release. However, the Release does not modify, amend or supersede written Company agreements that are consistent with enforceable provisions of the Release such as my Agreement, confidential information and invention assignment agreement, and any stock, stock option and/or stock purchase agreements between Company and me. Once effective and enforceable, this Release can be changed only by another written agreement signed by me and an authorized representative of Company.

14. Should any provision of the Release be determined by an arbitrator, court of competent jurisdiction or government agency to be wholly or partially invalid or unenforceable, the legality, validity and enforceability of the remaining parts, terms or provisions are intended to remain in full force and effect. Specifically, should a court, arbitrator or agency conclude that a particular claim may not be released as a matter of law, it is the intention of the parties that the general release and the waiver of unknown claims above will otherwise remain effective to release any and all other claims. I acknowledge that I have obtained sufficient information to intelligently exercise my own judgment regarding the terms of the Release before executing the Release.

15. The Termination Benefits provided and to be provided to me by the Company consist of the applicable benefits and payments in accordance with the Agreement.

16. The Release may be executed in any number of counterparts, all of which taken together shall constitute one instrument. Execution and delivery of the Release by facsimile or other electronic signature is legal, valid and binding for all purposes.

17. The Release will be governed by and enforced under California law, without regard to its conflict of law rules that would result in the application of the laws of any other jurisdiction.

[Signature page follows]

EMPLOYEE'S ACCEPTANCE OF RELEASE

BEFORE SIGNING MY NAME TO THE RELEASE, I STATE THE FOLLOWING: I HAVE READ THE RELEASE, I UNDERSTAND IT AND I KNOW THAT I AM GIVING UP IMPORTANT RIGHTS. I HAVE OBTAINED SUFFICIENT INFORMATION TO INTELLIGENTLY EXERCISE MY OWN JUDGMENT. I HAVE BEEN ADVISED THAT I SHOULD CONSULT WITH AN ATTORNEY BEFORE SIGNING IT, AND I HAVE SIGNED THE RELEASE KNOWINGLY AND VOLUNTARILY.

EFFECTIVE UPON EXECUTION BY EMPLOYEE AND THE COMPANY.

Executed this ____ day of _____, 20__

Agreed and Accepted:

Gossamer Bio Services, Inc.

By:
Title:
Date:

Exhibit B

Proprietary Information and Inventions Assignment Agreement

GOSSAMER BIO SERVICES, INC.

PROPRIETARY INFORMATION AND INVENTIONS AGREEMENT

The following confirms an agreement (“**Agreement**”) between you and **GOSSAMER BIO SERVICES, INC.**, a Delaware corporation (the “**Company**,” which term includes the Company’s parent, Gossamer Bio, Inc. (“**Parent**”), Parent’s subsidiaries, and any other entity in which I am asked to provide services for, and each of their respective successors and assigns), which is a material part of the consideration for my employment and continued employment by the Company:

1. **PROPRIETARY INFORMATION.** I understand that my employment creates a relationship of confidence and trust between me and the Company with respect to Proprietary Information of the Company, its business partners or its customers or suppliers which may be learned by me during the period of my employment or any period prior thereto wherein I was performing services for the Company or any predecessor thereof. For purposes of this Agreement, “**Proprietary Information**” is any information, data, trade secret or know-how (whether in tangible or electronic form or maintained in mind or memory or in another intangible form of expression) that was or is developed by, or became or becomes known by the Company or me in relation to my employment with the Company or otherwise concerns the business, operations, products, or technology of the Company, or was or is assigned or otherwise conveyed to the Company. “**Proprietary Information**” also includes, without limitation, all financial, business, scientific, technical, economic and/or engineering information, including without limitation, business strategies, business plans, forecasts, strategies, development plans, promotional and marketing objectives, results of research, trials or operations, pricing, customer lists, supplier lists, patent disclosures, patent applications, know-how, trade secrets, compilations, ideas, inventions, improvements, research, discoveries, techniques, methods, processes, manufacturing techniques, procedures, formulations, designs, patterns, drawings, flow charts, schematics, tooling, plans, configurations, specifications, documents, data sheets, mock-ups, models, compounds, compositions, structures, prototypes, programs, computer code, algorithms, mechanisms, materials, equipment, samples, test results, opinions, data, analysis, the salaries, duties, qualifications, performance levels, and terms of compensation of other employees and other proprietary information. Proprietary Information does not include any of the foregoing items that is or has become publicly and widely known and made generally available through no wrongful act of mine or of others who were under confidentiality obligations as to the item or items involved.

2. **COVENANTS AND AGREEMENTS.** In consideration of my employment by the Company and the compensation received by me from the Company from time to time, I hereby agree as follows:

(a) **Confidentiality.** At all times, both during my employment by the Company and after its termination, I will keep in confidence and trust and will not use or disclose any Proprietary Information or anything relating to it without the written consent of the Company, except as may be necessary in the ordinary course of performing my duties to the Company.

(b) **Defend Trade Secrets Act Notice of Immunity Rights.** I acknowledge that the Company has provided me with the following notice of immunity rights in compliance with the requirements of the Defend Trade Secrets Act: (i) I shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Proprietary Information

that is made in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law; (ii) I shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Proprietary Information that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (iii) if I file a lawsuit for retaliation by the Company for reporting a suspected violation of law, I may disclose the Proprietary Information to my attorney and use the Proprietary Information in the court proceeding, if I file any document containing the Proprietary Information under seal, and do not disclose the Proprietary Information, except pursuant to court order.

(c) **Return of Company Documents.** In the event of the termination of my employment by me or by the Company for any reason, I shall return all physical and electronic documents and records and all apparatus, equipment and other property, or any reproduction of such property, whether or not pertaining to Proprietary Information, furnished to me by the Company or produced by myself or others in connection with my employment, to the Company immediately as and when requested by the Company.

(d) **Disclosure of Inventions.** I will promptly disclose to the Company, or any persons designated by it, all Inventions made or conceived or reduced to practice or developed by me, either alone or jointly with others, during the term of my employment or any period prior thereto wherein I was performing services for the Company or any predecessor thereof, in sufficient detail to enable the Company to practice such inventions. "Inventions" includes all improvements, inventions, discoveries, formulas, ideas, circuits, mask works, works of authorship, processes, computer programs, algorithms, techniques, schematics, industrial designs, know-how and data, whether or not patentable. I will also disclose to the Company all Inventions conceived, reduced to practice, or developed by me within six (6) months of the termination of my employment with the Company. Such disclosure shall be received by the Company in confidence and does not extend the assignment made in Section 2(e) below.

(e) **Ownership; Assignment of Inventions.** I agree that all Proprietary Information, and all Inventions which I make, conceive, reduce to practice or develop (in whole or in part, either alone or jointly with others) during my employment or any period prior thereto wherein I was performing services for the Company or any predecessor thereof, are and shall be the sole property of the Company to the maximum extent permitted by law. I hereby assign to the Company any and all rights I may have or acquire in such Inventions and/or in any other Proprietary Information of the Company and any and all worldwide patents, patent applications, copyrights, mask work rights, industrial design rights, trade secret rights and other intellectual property rights related thereto or resulting therefrom. The Company's ownership and my assignment hereunder shall not extend to Inventions that (a) qualify fully under the provisions of Section 2870 of the California Labor Code, a copy of which is attached hereto as Exhibit A, if I am employed in California or (b) I developed entirely on my own time without using the Company's equipment, supplies, facilities, or trade secret information except for those inventions that either: (1) relate at the time of conception or reduction to practice of the invention to the Company's business, or actual or demonstrably anticipated research or development of the Company; or (2) result from any work performed by me for the Company.

(f) **Assignment of Moral Rights.** In addition to the foregoing assignment of Inventions to the Company, I hereby irrevocably transfer and assign to the Company any and all "Moral Rights" (as defined below) that I may have in or with respect to any Invention. I also hereby forever waive and agree never to assert any and all Moral Rights I may have in or with

respect to any Invention, even after termination of my work on behalf of the Company. “Moral Rights” mean any rights to claim authorship of an invention to object to or prevent the modification of any Invention, or to withdraw from circulation or control the publication or distribution of any Invention, and any similar right, existing under judicial or statutory law of any country in the world, or under any treaty, regardless of whether or not such right is denominated or generally referred to as a “moral right.”

(g) **Work for Hire.** I acknowledge and agree that any copyrightable works prepared by me within the scope of my employment are “works for hire” under the Copyright Act and that the Company will be considered the author and owner of such copyrightable works.

(h) **Prior Inventions.** I have attached as Exhibit B a complete list of all Inventions or improvements that relate to the business of the Company or actual or demonstrably anticipated research or development of the Company, that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my employment by the Company or any period prior thereto wherein I was performing services for the Company or any predecessor thereof that I desire to clarify for the record are not Inventions which are to be assigned to Company under this Agreement, and I covenant that such list is complete. If no such list is attached to this Agreement, I represent that I have no such Inventions and improvements at the time of signing this Agreement. I will not use any prior Inventions in the performance of my duties without the prior express written consent of my supervisor, and if I do (but only if I do), I hereby grant to Company a perpetual, irrevocable, royalty-free, worldwide, full paid-up, transferable, sub-licensable, right and license to use and exploit the same.

(i) **Enforcement of Inventions; Further Actions.** I agree to perform, during and after my employment, all acts deemed necessary or desirable by the Company to permit and assist it, at the Company’s expense, in obtaining, maintaining and enforcing patents, copyrights, trade secret rights, rights with respect to mask works or other rights on such Inventions and/or any other Inventions I have or may at any time assign to the Company and any designee of the Company in any and all countries. Such acts may include, but are not limited to, execution of documents and assistance or cooperation in legal proceedings. I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents, as my agents and attorneys-in-fact to act for and in my behalf and instead of me, to execute and file any applications or related filings and to do all other lawfully permitted acts to further the prosecution and issuance of patents, copyrights, trade secret rights, rights with respect to mask works or other rights thereon with the same legal force and effect as if executed by me.

(j) **Records.** I agree to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that may be required by the Company) of all Proprietary Information developed by me and all Inventions made by me during the period of my employment at the Company, which records shall be available to and remain the sole property of the Company at all times.

(k) **Non-Competition.** During the period of my employment with the Company, without the prior written approval of an executive officer of the Company (or if I am an executive officer of the Company, without the prior approval of the Company’s Board of Directors), I will not, either as an employee, employer, consultant, agent, principal, partner or officer, engage or participate in any employment, business or activity that is directly competitive with the business or proposed business of the Company, and will not assist any other person or organization in directly competing with the Company, or in preparing to engage in direct

competition with the business or proposed business of the Company. The provisions of this section shall apply both during normal working hours and at all other times, including, without limitation, nights, weekends and vacation time, while I am employed by the Company.

(l) **No Solicitation.** During the term of my employment and for one (1) year thereafter, I will not, either directly or through others, solicit or attempt to solicit any employee, independent contractor or consultant of the Company to terminate his or her relationship with the Company in order to become an employee, consultant or independent contractor to or for any other person or entity, or otherwise encourage or solicit any employee of the Company to leave the Company for any reason or to devote less than all of any such employee's efforts to the affairs of the Company; provided that the foregoing shall not affect any responsibility I may have as an employee of the Company with respect to the bona fide hiring and firing of Company personnel.

(m) **No Conflicting Obligations.** I represent that my performance of all the terms of this Agreement will not breach any agreement or obligation to keep in confidence proprietary information acquired by me in confidence or in trust prior to my employment with the Company. I have not entered into, and I agree I will not enter into, any agreement either written or oral in conflict with this Agreement or in conflict with my employment with the Company.

(n) **No Improper Use of Information of Prior Employers and Others.** During my employment by the Company, I will not improperly use or disclose any confidential information or trade secrets, if any, of any former employer or any other person to whom I have an obligation of confidentiality, and I will not bring onto the premises of the Company any unpublished documents or any property belonging to any former employer or any other person to whom I have an obligation of confidentiality unless expressly authorized in writing by that former employer or person. Unless disclosed on Exhibit B hereto, I will use in the performance of my duties only information which is generally known and used by persons with training and experience comparable to my own, which is common knowledge in the industry or otherwise legally in the public domain, or which is otherwise provided or developed by the Company.

(o) **Notification of New Employer.** In the event that I leave the employ of the Company, I hereby consent to the notification of my new employer of my rights and obligations under this Agreement.

3. GENERAL PROVISIONS.

(a) **Employment.** I agree and understand that my employment with the Company constitutes "AT-WILL" employment and that nothing in this Agreement shall confer any right with respect to continuation of employment by the Company, nor shall it interfere in any way with my right or the Company's right to terminate my employment at any time, with or without cause.

(b) **Successors and Assigns.** This Agreement shall be effective as of the first day of my employment by the Company, and shall be binding upon me, my heirs, executors, assigns, and administrators and shall inure to the benefit of the Company, its subsidiaries, successors and assigns. I will not assign this Agreement or my obligations hereunder without the prior written consent of the Company, which consent may be withheld in the Company's sole discretion, and any such purported assignment without consent shall be null and void.

(c) **Survival.** The provisions of this Agreement shall survive the termination of my employment and the assignment of this Agreement by the Company to any successor in interest or other assignee.

(d) **Legal and Equitable Remedies.** Because my services are personal and unique and because I may have access to and become acquainted with the Proprietary Information of the Company, the Company shall have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief, without bond and without prejudice to any other rights and remedies that the Company may have for a breach of this Agreement.

(e) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provisions shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provisions were so excluded and shall be enforceable in accordance with its terms.

(f) **Titles.** The titles and headings appearing at the beginning of the numbered sections and at the beginning of paragraphs have been inserted for convenience only and do not constitute any part of this Agreement.

(g) **Governing Law; Consent to Personal Jurisdiction.** I understand and agree that this Agreement shall be interpreted and enforced in accordance with the laws of the State of California without regard to the conflict of laws provisions thereof. I hereby expressly consent to the personal jurisdiction of the state and federal courts located in San Diego County, California for any lawsuit filed there against me by Company arising from or related to this Agreement.

(h) **Entire Agreement; Amendment.** This Agreement and the Exhibits hereto contain the entire understanding between the parties relating to the subject matter hereof and supersede any and all prior agreements, understandings and arrangements, whether written or oral, between the parties relating to such subject matter hereof. This Agreement may only be amended in writing by the Company and me and our respective permitted successors and assigns.

(i) **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall be deemed one instrument.

[Signature Page Follows]

/s/ Laura Carter

Name: Laura Carter

Accepted and Agreed to:

Gossamer Bio Services, Inc.

By: /s/ Christian Waage

Name: Christian Waage

Title: EVP & General Counsel

SIGNATURE PAGE TO PROPRIETARY INFORMATION AND INVENTIONS AGREEMENT

EXHIBIT A

§2870. Application of provision providing that employee shall assign or offer to assign rights in invention to employer.

(a) Any provisions in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either: (1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or (2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

EXHIBIT B

GOSSAMER BIO SERVICES, INC.

Ladies and Gentlemen:

1. The following is a complete list of all inventions or improvements that relate to the business of GOSSAMER BIO SERVICES, INC. (the "Company") or actual or demonstrably anticipated research or development of the Company, that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my employment by the Company or any period prior thereto wherein I was performing services for the Company or any predecessor thereof that I desire to clarify for the record are not Inventions which are to be assigned to Company under the Company's Proprietary Information and Inventions Agreement.

No inventions or improvements.

See below:

<u>Invention Description</u>	<u>Patent No.</u>	<u>Date of Issue</u>
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Additional sheets attached.

2. I propose to bring to my employment the following materials and documents of a former employer (provide copies of express written authorizations by former employer, if applicable):

No materials or documents.

/s/ Laura Carter

Print Name: Laura Carter

Gossamer Bio Services, Inc.
3013 Science Park Road
San Diego, CA 92112

June 21, 2021

Richard Aranda
c/o Gossamer Bio Services, Inc.
3013 Science Park Road
San Diego, CA 92112

Dear Richard:

This amended and restated letter agreement (this "Agreement") confirms the terms of your continuing employment with Gossamer Bio Services, Inc. (the "Company"), a wholly-owned subsidiary of Gossamer Bio, Inc. (the "Parent"). This Agreement is effective as of June 21, 2021 (the "Effective Date").

1. Title and Duties.

(a) Title and Duties. You will be employed by the Company, on a full-time basis, as its Chief Medical Officer and to serve as an officer with that same position of Parent, working out of the Company's headquarters located in San Diego, California. You shall have all the duties, responsibilities and authority commensurate with these positions, subject to the supervision of, and reporting directly to, the Chief Executive Officer of the Company (the "Supervising Officer"). For the avoidance of doubt, all references in this Agreement to your "employment with the Company" shall include your employment with the Company and any of its affiliates and subsidiaries, as applicable.

(b) Time Commitment; Outside Activities. You agree to perform the duties and responsibilities of your positions, and such other duties and responsibilities as shall from time to time be mutually agreed upon between you and the Supervising Officer. You agree that, while employed by the Company, you will devote substantially all of your business time and your best efforts, business judgment, skill and knowledge exclusively to the advancement of the business and interests of the Company and to the discharge of your duties and responsibilities for it; *provided, however*, it is agreed that you may participate in outside charitable, civic, educational, professional, community or industry activities to the extent such activities do not individually or in the aggregate interfere with your duties and responsibilities to the Company or create an actual or potential conflict of interest with the Company's business; *provided, further*, that your service on any outside boards (whether for profit or non-profit) shall require the prior consent of the Supervising Officer. You agree to abide by the rules, regulations, instructions, personnel practices and policies of the Company, as adopted and amended from time to time by the Company.

2. Compensation.

(a) Base Salary. You will receive an annual base salary of \$425,000, payable in accordance with the normal payroll practices of the Company in effect from time to time. Your performance will be reviewed by the Compensation Committee of the Board of Directors of Parent (the "Board") or the Supervising Officer on an annual basis in conjunction with an annual salary review.

(b) Annual Bonus. Commencing with calendar year 2021, you will be eligible to receive an annual cash incentive bonus with a target amount equal to 40% of your then-current annual base salary (the "Target Bonus"). Your bonus in respect of 2021, and any future bonuses, will be subject to the terms of the applicable bonus plan developed and approved by the Board or the Compensation Committee of the Board. Any bonus awarded will be paid on or before March 15 of the calendar year immediately following the year for which the bonus was awarded, subject to your employment at the end of the calendar year for which the bonus is due, except as otherwise expressly provided for herein. To the extent your employment commenced following January 1, your annual bonus will be pro-rated to reflect your service during that year.

(c) Benefits. You will be eligible to participate in any and all benefit programs that the Company establishes and makes available to its employees from time to time, provided that you are eligible under (and subject to all provisions of) the plan documents that govern those programs. Benefits are subject to change at any time in the Company's sole discretion.

(d) Expense Reimbursements. The Company will reimburse you for all reasonable business expenses incurred by you in the performance of your duties, subject to the Company's expense reimbursement policies applicable to senior executives in effect from time to time.

(e) Paid Time Off. You will be entitled to paid time off in accordance with the policies of the Company.

3. At-Will Employment; Termination.

(a) At-Will Employment; Notice of Resignation. This Agreement shall not be construed as an agreement, either express or implied, to employ you for any stated term, and shall in no way alter the Company's policy of employment at-will, under which both the Company and you remain free to end the employment relationship for any reason, at any time, with or without cause or notice. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at-will" nature of your employment may only be changed by a written agreement signed by you and an executive officer of the Company, which expressly states the intention to modify the at-will nature of your employment. Similarly, nothing in this Agreement shall be construed as an agreement, either express or implied, to pay you any compensation or grant you any benefit beyond the end of your employment with the Company, except as otherwise explicitly set forth herein.

(b) Termination Payment. In the event your employment with the Company ever terminates, on your last day of employment, you will receive your accrued but unpaid base salary and all accrued but unused paid time off through the last day of your employment, in

accordance with the Company's then-current payroll policies and practices (the "Termination Payment").

(c) Termination Without Cause or Resignation For Good Reason Prior to a Change in Control or More Than 12 Months Following a Change in Control. Without otherwise limiting the "at-will" nature of your employment, in the event your employment is terminated at any time by the Company (or any of its subsidiaries or affiliates, as applicable, or any of their respective successors or assigns) without Cause (as defined below) (excluding by reason of your death and Disability (as defined below)) or by you for Good Reason in each case prior to a Change in Control (as defined below) or more than twelve (12) months following a Change in Control, then, in addition to the Termination Payment, the Company shall provide the following payments and benefits ("Severance Benefits"): (i) continued payment of your base salary at the then-current rate per pay period for a period of nine (9) months following your termination date, in accordance with the Company's then-current payroll policies and practices; and (ii) provided you timely elect and remain eligible for coverage pursuant to Part 6 of Title I of ERISA, or similar state law (collectively, "COBRA"), payment or reimbursement to you of an amount equal to the full monthly premium for COBRA continuation coverage under the Company's medical plans as in effect on the date of your termination with respect to the level of coverage in effect for you and your eligible dependents as of the date of your termination, on a monthly basis on the first business day of the calendar month next following the calendar month in which the applicable COBRA premiums were paid, with respect to the period from the date of your termination until the earlier of (x) nine (9) months following such date and (y) the date you become eligible for coverage under a subsequent employer's medical plan.

(d) Termination Without Cause or Resignation For Good Reason Within 12 Months Following a Change in Control. In the event your employment is terminated at any time by the Company (or any of its subsidiaries or affiliates, as applicable, or any of their respective successors or assigns) without Cause (excluding by reason of your death and Disability) or by you for Good Reason, in each case on or within twelve (12) months after a Change in Control, then, in addition to the Termination Payment, the Company shall provide the following payments and benefits ("Change in Control Severance Benefits"): (i) continued payment of your base salary at the then-current rate per pay period for a period of twelve (12) months following your termination date, in accordance with the Company's then-current payroll policies and practices; (ii) payment of your Target Bonus for the calendar year during which your date of termination occurs, on the Payment Date; (iii) full vesting of any unvested portion of any equity awards then held by you, which shall no longer be subject to any restrictions or forfeiture, and full exercisability with respect to stock options and similar awards; and (iv) provided you timely elect and remain eligible for coverage pursuant to COBRA, payment or reimbursement to you of an amount equal to the full monthly premium for COBRA continuation coverage under the Company's medical plans as in effect on the date of your termination with respect to the level of coverage in effect for you and your eligible dependents as of the date of your termination, on a monthly basis on the first business day of the calendar month next following the calendar month in which the applicable COBRA premiums were paid, with respect to the period from the date of your termination until the earlier of (x) twelve (12) months following such date and (y) the date you become eligible for coverage under a subsequent employer's medical plan. Notwithstanding anything to the contrary and for the avoidance of doubt, any Change in Control Severance Benefits paid to you shall be instead of, and not in addition to, any Severance Benefits that may be paid to you.

(e) Death or Disability. In the event your employment is terminated at any time by the Company (or any of its subsidiaries or affiliates, as applicable, or any of their respective successors or assigns) by reason of your death or Disability, then, in addition to the Termination Payment, the Company shall provide that the greater of (i) fifty percent (50%) of the unvested portion of any equity awards then held by you immediately prior to such termination or (ii) the portion of such equity awards that would have otherwise vested in the nine (9) month period following the date of such termination of employment, shall vest and shall no longer be subject to restrictions or forfeiture on the date of such termination (“Qualified Accelerated Vesting”).

(f) Release. Notwithstanding anything to the contrary in the foregoing, you will not be entitled to receive any Severance Benefits, Change in Control Severance Benefits or Qualified Accelerated Vesting, as applicable (to the extent applicable, the “Termination Benefits”) unless, within sixty (60) days following the date of termination, you, or in the event of your death or Disability, your legal representatives, have executed a general release of all known and unknown claims and covenant not to sue in the form attached hereto as Exhibit A (with such changes to such form to help ensure enforceability under applicable law) (the “Release”), and any revocation period thereunder has lapsed without exercise by you (or your legal representatives) of such revocation right.

(g) Payment Timing. The Termination Benefits shall be paid or provided or shall commence on the first payroll period following the date the Release becomes effective (the “Payment Date”) and the first payment shall include all accrued amounts from the date of termination, provided that if the period during which you may deliver the Release required hereunder spans two (2) calendar years, the Payment Date shall be no earlier than January 1 of the second calendar year.

(h) Definitions.

(i) For purposes of this Agreement, “Change in Control” shall have the meaning set forth in the equity plan adopted by Parent in connection with its initial public offering.

(ii) As used herein, “Cause” means: (A) a willful and material act of dishonesty by you in connection with the performance of your duties as an employee of the Company; (B) your conviction of, or plea of guilty or nolo contendere to, a felony, or any crime involving fraud or embezzlement that the Board reasonably determines has had or is reasonably likely to have a materially detrimental effect on the Company’s reputation or business; (C) your gross misconduct in the performance of your duties as an employee of the Company; (D) your willful and material unauthorized use or disclosure of any proprietary information or trade secrets of the Company or any other party to whom you owe an obligation of nondisclosure as a result of your relationship with the Company; (E) your willful and material breach of any obligations under any written agreement or written covenant with the Company; or (F) your continued willful and substantial failure to perform your material employment duties that are lawfully assigned to you in good faith by your reporting superior (other than as a result of your death or Disability) after written notice. Cause shall not exist unless, in any case, you have first received a written notice from the Board that sets forth the factual basis for the Board’s determination as to any behavior or occurrence claimed as Cause and you fail to cure such claimed behavior or occurrence, if curable, to the reasonable satisfaction of a majority of the Board within ten (10)

business days after receiving such written notice, in which case your termination date will be the expiration date of the cure period, if any. For purposes of this paragraph, no act or failure to act on your part shall be considered “willful” unless it is done or omitted to be done by you in bad faith and without reasonable belief that the act or failure to act was in the best interest of the Company.

(iii) As used herein, “Good Reason” means the occurrence of one or more of the following, without your written consent: (A) a material reduction in your base salary or target annual bonus; (B) a material diminution of your title, duties, responsibilities or reporting lines; (C) a material change in the principal geographic location at which you must perform services, more than fifty (50) miles from the Company’s head office; (D) a material breach by the Company of this Agreement. Any such event shall not constitute Good Reason unless and until you have provided the Company with written notice thereof no later than sixty (60) days following the initial occurrence of such event and the Company shall have failed to remedy such event (if capable of being remedied) within thirty (30) days of receipt of such notice, and you must terminate your employment with the Company within sixty (60) days after the expiration of such thirty (30)-day remedial period.

(iv) As used herein, “Disability” means a permanent and total disability within the meaning of Section 22(e)(3) of the Code, as it may be amended from time to time.

(i) Section 409A of the Code. Any severance payments to you under this Agreement shall begin only after the date of your “separation from service” within the meaning of Internal Revenue Code Section 409A and the regulations and guidance promulgated thereunder (collectively “Section 409A”) and determined as set forth below, which occurs on or after date of the termination of your employment, and shall be subject to the following provisions:

(i) The intent of the parties is that payments and benefits under this Agreement comply with, or be exempt from Section 409A and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. For purposes of Section 409A, your right to receive any installment payments pursuant to this Agreement will be treated as a right to receive a series of separate and distinct payments. Neither the Company nor you shall have the right to accelerate or defer the delivery of any such payments except to the extent specifically permitted or required by Section 409A.

(ii) If, as of the date of your “separation from service” from the Company, you are not a “specified employee” (within the meaning of Section 409A), then each installment of the severance payments shall be made on the dates and terms set forth in this Agreement.

(iii) If, as of the date of your “separation from service” from the Company, you are a “specified employee” (within the meaning of Section 409A), then:

(A) Each installment of the severance payments that, in accordance with the dates and terms set forth in this Agreement, will in all circumstances, regardless of when the “separation from service” occurs, be paid within the short-term deferral period (as defined in Section 409A) shall be treated as a “short-term deferral” within the meaning

of Treasury Regulation Section 1.409A-1(b)(4) to the maximum extent permissible under Section 409A and shall be paid on the dates and terms set forth in this Agreement; and

(B) Each installment of the severance payments that is not described in clause (iii)(A) above and that would, absent this clause (B), be paid within the six-month period following your “separation from service” from the Company shall not be paid until the date that is six (6) months and one (1) day after such “separation from service” (or, if earlier, your death), with any such installments that are required to be delayed being accumulated during the six-month period and paid in a lump sum on the date that is six (6) months and one (1) day following your “separation from service” and any subsequent installments, if any, being paid in accordance with the dates and terms set forth in this Agreement; *provided, however*, that the preceding provisions of this clause (B) shall not apply to any installment of severance payments if and to the maximum extent that that such installment is deemed to be paid under a separation pay plan that does not provide for a deferral of compensation by reason of the application of Treasury Regulation 1.409A-1(b)(9)(iii) (relating to separation pay upon an involuntary separation from service). Any installments that qualify for the exception under Treasury Regulation Section 1.409A-1(b)(9)(iii) must be paid no later than the last day of your second taxable year following the taxable year in which the “separation from service” occurs.

(iv) The determination of whether and when your “separation from service” from the Company has occurred shall be made in a manner consistent with, and based on the presumptions set forth in, Treasury Regulation Section 1.409A-1(h). Solely for purposes of this paragraph (iv), “Company” shall include all persons with whom the Company would be considered a single employer under Section 414(b) and 414(c) of the Code.

(v) All reimbursements and in-kind benefits provided under the Agreement shall be made or provided in accordance with the requirements of Section 409A to the extent that such reimbursements or in-kind benefits are subject to Section 409A, including, where applicable, the requirements that (A) any reimbursement is for expenses incurred during your lifetime (or during a shorter period of time specified in this Agreement), (B) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (C) the reimbursement of any eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred, and (D) the right to reimbursement is not subject to set off or liquidation or exchange for any other benefit.

(vi) Notwithstanding any other provision of this Agreement, the Company makes no representation or warranty and shall have no liability to you or to any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A but do not satisfy an exemption from, or the conditions of, that section. If either you or the Company reasonably determines that any payment to you will violate Section 409A, you and the Company agree to use reasonable best efforts to restructure the payment in a manner that is either exempt from or compliant with Section 409A to the extent that the restructuring is consistent with the original economic intent of the parties. You and the Company agree to execute any and all amendments to this Agreement (or any other applicable agreement) that are consistent with the original economic intent of the parties and promote compliance with the distribution provisions of Section 409A in an effort to avoid or minimize, to the extent allowable by law, the tax (and any interest or penalties thereon) associated with Section 409A. If it is determined that a payment to you was (or may be) made in violation of Section 409A, the

Company will cooperate, to the extent commercially reasonable, with any effort by you to mitigate the tax consequences of such violation, including cooperation with your participation in any IRS voluntary compliance program or other correction procedure under Section 409A that may be available to you; *provided*, that such correction is consistent with the commercial intent of the parties hereunder; *provided, further*, that in no event shall the Company be obligated to incur any material cost in connection with its obligations under this sentence.

(vii) Notwithstanding the foregoing, if a Change in Control would give rise to a payment or settlement event with respect to any payment or benefit that constitutes “nonqualified deferred compensation,” the transaction or event constituting the Change in Control must also constitute a “change in control event” (as defined in Treasury Regulation §1.409A-3(i)(5)) in order to give rise to the payment or settlement event for such payment or benefit, to the extent required by Section 409A.

4. Section 280G of the Code.

(a) Best Pay Provision. Notwithstanding anything to the contrary contained in this Agreement, to the extent that any of the payments and benefits provided for under this Agreement or any other agreement or arrangement between the Company and you (collectively, the “Payments”) (i) constitute a “parachute payment” within the meaning of Section 280G of the Code and (ii) but for this paragraph, would be subject to the excise tax imposed by Section 4999 of the Code, then the Payments shall be reduced to the extent necessary so that no portion of such Payments retained by you shall be subject to excise tax under Section 4999 of the Code; *provided, however*, such reduction shall only occur if after taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, such reduction results in your receipt on an after-tax basis, of the greatest amount of benefits under this Agreement, notwithstanding that all or some portion of such benefits may be taxable under Section 4999 of the Code; *provided, further*, that this sentence shall not apply if, immediately before the change in ownership or control on which such Payment is contingent or otherwise relates, no stock in the Company is readily tradeable on an established securities market or otherwise (as determined in accordance with Treasury Reg. Section 1.280G-1 Q&A 6). In the event of a determination that such reduction is to take place, reduction shall occur in the following order: first, reduction of cash payments, which shall occur in reverse chronological order such that the cash payment owed on the latest date following the occurrence of the event triggering such excise tax will be the first cash payment to be reduced; second, cancellation of accelerated vesting of equity awards, which shall occur in the reverse order of the date of grant for such stock awards (i.e., the vesting of the most recently granted stock awards will be reduced first); and third, reduction of employee benefits, which shall occur in reverse chronological order such that the benefit owed on the latest date following the occurrence of the event triggering such excise tax will be the first benefit to be reduced. If two or more equity awards are granted on the same date, each award will be reduced on a pro-rata basis.

(b) Stockholder Approval. Notwithstanding the foregoing, if any Payments would not be subject to such excise tax if the stockholder approval requirements of Section 280G(b)(5) of the Code are satisfied, subject to your waiver of the rights to such Payments in accordance with Section 280G of the Code with respect to any portion of the Payments that would otherwise be subject to excise tax imposed by Section 4999 of the Code (before giving effect to any reduction in Payments contemplated in the two preceding sentences), the Company shall use its reasonable best efforts to cause such payments to be submitted for such approval

prior to the event giving rise to such payments. To the extent the Company submits any payment or benefit payable to you under this Agreement or otherwise to the Company's stockholders for approval in accordance with Treasury Reg. Section 1.280G-1 Q&A 7, the foregoing provisions shall not apply following such submission and such payments and benefits will be treated in accordance with the results of such vote, except that any reduction in, or waiver of, such payments or benefits required by such vote will be applied without any application of discretion by you and in the order prescribed in the preceding paragraph. In no event shall you have any discretion with respect to the ordering of payment reductions.

(c) Calculations. Unless you and the Company otherwise agree in writing, any determination required under this paragraph shall be made in writing by the Company's independent public accountants immediately preceding the change in ownership or control on which such Payments are contingent or otherwise relate (the "Accountants"), whose determination shall be conclusive and binding upon you and the Company for all purposes. For purposes of making the calculations required by this Section 4, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely in reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and you shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this paragraph. The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this paragraph. If the limitation set forth in Section 4(a) is applied to reduce an amount payable to you, and the Internal Revenue Service successfully asserts that, despite the reduction, you have nonetheless received payments which are in excess of the maximum amount that could have been paid to you without being subjected to any excise tax, then, unless it would be unlawful for the Company to make such a loan or similar extension of credit to you, you may repay such excess amount to the Company as though such amount constitutes a loan to you made at the date of payment of such excess amount, bearing interest at 120% of the applicable federal rate (as determined under Section 1274(d) of the Code in respect of such loan).

5. Restrictive Covenants.

(a) No Other Agreements. You represent that you are not bound by any employment contract, restrictive covenant or other restriction preventing you from entering into employment with or carrying out your responsibilities for the Company, or which is in any way inconsistent with the terms of this Agreement.

(b) PIIA. You have previously executed the Company's Proprietary Information and Inventions Assignment Agreement, which is attached hereto as Exhibit B ("PIIA"), and you hereby reaffirm your agreements and obligations thereunder.

(c) Defend Trade Secrets Act Notice of Immunity Rights. You acknowledge that the Company has provided you with the following notice of immunity rights in compliance with the requirements of the Defend Trade Secrets Act: (i) you shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Proprietary Information (as defined in the PIIA) that is made in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law; (ii) you shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Proprietary Information that is

made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (iii) if you file a lawsuit for retaliation by the Company for reporting a suspected violation of law, you may disclose the Proprietary Information to your attorney and use the Proprietary Information in the court proceeding, if you file any document containing the Proprietary Information under seal, and do not disclose the Proprietary Information, except pursuant to court order.

6. Notices. All notices or other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or one (1) business day after being sent by a nationally recognized overnight delivery service, charges prepaid. Notices also may be given electronically via PDF and shall be effective on the date transmitted if confirmed within 48 hours thereafter by a signed original sent in the manner provided in the preceding sentence. Notice to you shall be sent to your most recent residence and personal email address on file with the Company. Notice to the Company shall be sent to its physical address set forth on the first page hereto and addressed to the Chairperson of the Board at the email address provided by the Company for such person.

7. Entire Agreement; Miscellaneous. This Agreement, together with any documents relating to the Company equity held by you, any stock grant notices or stock agreements referenced herein and the PIIA, constitutes the entire agreement and understanding between the parties as to the subject matter herein and supersedes all prior or contemporaneous agreements whether written or oral. The terms of this Agreement may only be modified in a specific writing signed by you and an authorized representative of the Company. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision hereof, which will remain in full force and effect. The terms in this Agreement may only be modified in writing and signed by you and an executive officer of the Company. In the event of any conflict between any of the terms in this Agreement and the terms of any other agreement between you and the Company, the terms of this Agreement will control. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one instrument. Execution and delivery of this Agreement by facsimile or other electronic signature is legal, valid and binding for all purposes. This Agreement is intended to bind and inure to the benefit of and be enforceable by you and the Company, and their respective successors, assigns, heirs, executors and administrators, except that you may not assign any of your duties hereunder and you may not assign any of your rights hereunder, without the written consent of the Company, which shall not be withheld unreasonably.

8. Governing Law. Your employment and this Agreement will be governed by the laws of the State of California, without reference to conflicts of laws principles which would result in the application of the law of any other jurisdiction.

9. Arbitration. To aid in the rapid and economical resolution of any disputes that may arise in the course of the employment relationship, you and the Company agree that any and all disputes, claims, or demands in any way arising out of or relating to the terms of this Agreement, Company equity held by you, your employment relationship with the Company, or the termination of your employment relationship with the Company, shall be resolved, to the fullest extent permitted by law, by final, binding and confidential arbitration in San Diego, California, conducted before a single neutral arbitrator selected and administered in accordance with the employment arbitration rules & procedures or then applicable equivalent rules of JAMS (the "JAMS Rules") and the Federal Arbitration Act, 9 U.S.C. Sec. 1, et seq. A copy of the

JAMS rules may be found on the JAMS website at www.jamsadr.com and will be provided to you by the Company upon request. BY AGREEING TO THIS ARBITRATION PROCEDURE, YOU AND THE COMPANY WAIVE THE RIGHT TO RESOLVE ANY SUCH DISPUTE, CLAIM OR DEMAND THROUGH A TRIAL BY JURY OR JUDGE OR BY ADMINISTRATIVE PROCEEDING IN ANY JURISDICTION. You will have the right to be represented by legal counsel at any arbitration proceeding, at your expense. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be available under applicable law in a court proceeding and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The arbitrator shall administer and conduct any arbitration in accordance with California law and shall apply substantive and procedural California law to any such dispute, claim or demand, without reference to any conflict-of-law provisions of any jurisdiction. To the extent that the JAMS Rules conflict with California law, California law shall take precedence. The parties agree that the prevailing party in any arbitration shall be entitled to injunctive relief in any court of competent jurisdiction to enforce the arbitration award. Nothing in this Agreement is intended to prevent either you or the Company from obtaining injunctive relief (or any other provisional remedy) in any court of competent jurisdiction pursuant to California Code of Civil Procedure Section 1281.8 to prevent irreparable harm (including, without limitation, pending the conclusion of any arbitration). The Company shall pay the arbitrator's fees, arbitration expenses and any other costs unique to the arbitration proceeding (recognizing that each side shall bear its own deposition, witness, expert and attorney's fees and other expenses to the same extent as if the matter were being heard in court).

10. Withholding and other Deductions. All compensation payable to you hereunder shall be subject to such deductions as the Company is from time to time required to make pursuant to law, governmental regulation or order.

Please acknowledge your acceptance of the terms of this Agreement by returning a signed copy of this Agreement.

Very truly yours,

Gossamer Bio Services, Inc.

By: /s/ Faheem Hasnain

Name: Faheem Hasnain

Title: Chief Executive Officer and President

Agreed and Accepted:

I have read and understood this Agreement and hereby acknowledge, accept and agree to the terms as set forth above.

/s/ Richard Aranda

Date: July 11, 2021

Richard Aranda

Exhibit A

Form of Release

In consideration of the Termination Benefits (as defined in the Agreement) provided and to be provided to me by Gossamer Bio Services, Inc., or any affiliate or successor thereof (the "Company") pursuant to my Agreement with Company dated April 16, 2021 (the "Agreement"), and in connection with the termination of my employment, the Company and I agree to the following, including a general release as specified below (the "Release").

1. On behalf of myself, my heirs, executors, administrators, successors and assigns, I hereby fully and forever generally release and discharge Company, its current, former and future parents, subsidiaries, affiliated companies, related entities, employee benefit plans and their fiduciaries, predecessors, successors, officers, directors, shareholders, agents, employees and assigns (collectively, the "Company Releasees") from any and all claims, causes of action, and liabilities up through the date of my execution of the Release (except with respect to Termination Benefits under the Agreement and any other rights that I have accrued under the employee benefit plans and equity award plans of the Company). The claims subject to this release include, but are not limited to, those relating to my employment with Company and/or any predecessor to the Company and the termination of such employment. All such claims (including related attorneys' fees and costs) are barred without regard to whether those claims are based on any alleged breach of a duty arising in statute, contract or tort. This expressly includes waiver and release of any rights and claims arising under any and all laws, rules, regulations and ordinances, including, but not limited to: Title VII of the Civil Rights Act of 1964; the Older Workers Benefit Protection Act; the Americans With Disabilities Act; the Age Discrimination in Employment Act; the Fair Labor Standards Act; the National Labor Relations Act; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974, as amended ("ERISA"); the Workers Adjustment and Retraining Notification Act; the California Fair Employment and Housing Act (if applicable); the provisions of the California Labor Code (if applicable); the Equal Pay Act of 1963; and any similar law of any other state or governmental entity.

2. The parties agree to apply California law in interpreting the Release. Accordingly, I further waive any rights under Section 1542 of the Civil Code of the State of California or any similar state statute. Section 1542 states:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which, if known to him or her, must have materially affected his or her settlement with the debtor.”

This Release does not extend to, and has no effect upon, (a) any benefits that have previously accrued, and to which I have become vested or otherwise entitled to, under any agreement, employee benefit plan, program or policy sponsored or maintained by the Company; (b) my right to indemnification and/or contribution, advancement or payment of related expenses by the Company under any written indemnification or other agreement between the parties; (c) my right to continued coverage by the Company's director's and officer's insurance, other insurance policies of the Company, COBRA or any similar state law; (d) any claims for breach of

this Release or the Agreement; (e) any claims that may not be released by private agreement; and (f) any claims arising after the date I sign the Release.

3. In understanding the terms of the Release and my rights, I have been advised to consult with an attorney of my choice prior to executing the Release. I understand that nothing in the Release will prohibit me from exercising legal rights that are, as a matter of law, not subject to waiver, such as: (a) my rights under applicable workers' compensation laws; (b) my right, if any, to seek state disability or unemployment benefits; (c) my right to indemnity under California Labor Code section 2802 or other applicable state-law right to indemnity; (d) my right to file a charge or complaint with a government agency such as but not limited to the Equal Employment Opportunity Commission, the National Labor Relations Board, the Department of Labor, the California Department of Fair Employment and Housing, or other applicable state agency; and (e) my right to communicate or cooperate with any governmental agency and to receive awards from or by a government agency for providing information. Moreover, I will continue to be indemnified for my actions taken while employed by the Company to the same extent as other then-current or former directors and officers of the Company under the Company's Certificate of Incorporation and Bylaws and the Indemnification Agreement between me and the Company, if any, and I will continue to be covered by the Company's directors and officers liability insurance policy as in effect from time to time to the same extent as are other then-current or former directors and officers of the Company, each subject to the requirements of the laws of the State of Delaware.

4. I understand and agree that Company will not provide me with the Termination Benefits unless I execute the Release. I also understand that I have received or will receive, regardless of the execution of the Release, all wages owed to me together with any accrued but unused paid time off, less applicable withholdings and deductions, earned through my termination date.

5. In my existing and continuing obligations to Company, I have returned to Company all Company documents (and all copies thereof) and other Company property that I have had in my possession at any time, including but not limited to Company files, notes, drawings, records, business plans and forecasts, financial information, specification, computer-recorded information, tangible property (including, but not limited to, computers, laptops, pagers, etc.), credit cards, entry cards, identification badges and keys and any materials of any kind which contain or embody any proprietary or confidential information of Company (and all reproductions thereof). I understand that, even if I did not sign the Release, I am still bound by any and all confidential/proprietary/trade secret information, non-disclosure and inventions assignment agreement(s) signed by me in connection with my employment with Company, or with a predecessor or successor of Company pursuant to the terms of such agreement(s).

6. I represent and warrant that I am the sole owner of all claims relating to my employment with Company and/or with any predecessor of Company and that I have not assigned or transferred any claims relating to my employment to any other person or entity.

7. I agree to keep the Termination Benefits and the provisions of the Release confidential and not to reveal its contents to anyone except my lawyer, my accountant, my spouse or other immediate family member and/or my financial consultant, or as required by legal process or applicable law or otherwise responding accurately and fully to any question, inquiry or request for information or documents, including, without limitation, in any criminal, civil, or regulatory

proceeding or investigation, or as necessary in any action for enforcement or claimed breach of this Release or any other legal dispute with the Company. Nothing in this Agreement shall prohibit me from reporting or disclosing information under the terms of the Company's Reporting Suspected Violations of Law Policy or such similar policy as the Company may have in effect from time to time.

8. I understand and agree that the Release will not be construed at any time as an admission of liability or wrongdoing by either the Company Releasees or me.

9. I agree that I will not make any negative or disparaging statements or comments, either as fact or as opinion, about the Company, its employees, officers, directors, shareholders, vendors, products or services, business, technologies, market position or performance. The Company agrees that it shall not, and shall cause its directors, executive officers, employees and representatives not to, make any negative or disparaging statements or comments, either as fact or as opinion, about you. Nothing in this paragraph will prohibit me or the Company from providing truthful information in response to a subpoena or other legal process.

10. Any controversy or claim arising out of or relating this Release, its enforcement or interpretation, or because of an alleged breach, default or misrepresentation in connection with any of its provisions, will be submitted to arbitration consistent with the terms of the Agreement.

11. As a condition of my receipt of the Termination Benefits, I agree that, upon reasonable notice (after taking into account, to the extent reasonably practicable, my other personal and business commitments) and without the necessity of Company obtaining a subpoena or court order, I will provide reasonable cooperation to Company in connection with any suit, action or proceeding (or any appeal from any suit, action or proceeding), or the decision to commence on behalf of the Company any suit, action or proceeding, any investigation and/or any defense of any claims asserted against the Company or any of the Company's current or former directors, officers, employees, partners, stockholders, agents or representatives of any of the foregoing, and any ongoing or future investigation or dispute or claim of any kind involving the Company that relates to events occurring during my employment as to which I may have relevant information and any other matter for which I was responsible or had knowledge of through date of my termination of employment. Such cooperation may include, but will not be limited to, providing background information within my knowledge; aiding in the drafting of declarations; executing declarations or similar documents; testifying or otherwise appearing at investigation interviews, depositions, arbitrations or court hearings; and preparing for the above-described or similar activities. Upon the reasonable request of Company, I agree to cooperate with the transition of my job responsibilities on any termination of employment and cooperate in providing information on matters on which I was involved while an employee.

12. As provided in the Older Workers Benefit Protection Act, I am hereby advised and agree that:

(a) I have had at least twenty-one (21) calendar days in which to consider whether to execute the Release, no one hurried me into executing the Release during that period and no one coerced me into executing the Release. If I signed this Release prior to the expiration of the twenty-one (21) day period, I did so voluntarily and waive the balance of the twenty-one (21) day period. I understand that the offer of the Termination Benefits and the Release will

expire on the twenty-second (22nd) calendar day after my employment termination date if I have not accepted it by that time.

- (b) I am hereby advised to consult with a lawyer before signing this Agreement.
- (c) This Release provides for consideration in addition to any amount I am otherwise entitled to receive without signing this Release.
- (d) This Release does not release any claims arising out of events occurring after I sign this Release
- (e) I may revoke this Agreement within the seven (7) day period following the date on which I signed this Release. I understand that if I revoke this release, the Company will not be obligated to provide the Termination Benefits. I further understand that Company's obligations under the Release will not become effective or enforceable until the eighth (8th) calendar day after the date I sign the Release provided that I have timely delivered it to Company (the "Release Effective Date") and have not timely revoked it. I understand that the Termination Benefits will become available to me at such time after the Release Effective Date.

13. In executing the Release, I acknowledge that I have not relied upon any statement made by Company, or any of its representatives or employees, with regard to the Release unless the representation is specifically included herein. Furthermore, the Release contains our entire understanding regarding eligibility for Termination Benefits and supersedes any or all prior representations and agreements regarding the subject matter of the Release. However, the Release does not modify, amend or supersede written Company agreements that are consistent with enforceable provisions of the Release such as my Agreement, confidential information and invention assignment agreement, and any stock, stock option and/or stock purchase agreements between Company and me. Once effective and enforceable, this Release can be changed only by another written agreement signed by me and an authorized representative of Company.

14. Should any provision of the Release be determined by an arbitrator, court of competent jurisdiction or government agency to be wholly or partially invalid or unenforceable, the legality, validity and enforceability of the remaining parts, terms or provisions are intended to remain in full force and effect. Specifically, should a court, arbitrator or agency conclude that a particular claim may not be released as a matter of law, it is the intention of the parties that the general release and the waiver of unknown claims above will otherwise remain effective to release any and all other claims. I acknowledge that I have obtained sufficient information to intelligently exercise my own judgment regarding the terms of the Release before executing the Release.

15. The Termination Benefits provided and to be provided to me by the Company consist of the applicable benefits and payments in accordance with the Agreement.

16. The Release may be executed in any number of counterparts, all of which taken together shall constitute one instrument. Execution and delivery of the Release by facsimile or other electronic signature is legal, valid and binding for all purposes.

17. The Release will be governed by and enforced under California law, without regard to its conflict of law rules that would result in the application of the laws of any other jurisdiction.

[Signature page follows]

EMPLOYEE'S ACCEPTANCE OF RELEASE

BEFORE SIGNING MY NAME TO THE RELEASE, I STATE THE FOLLOWING: I HAVE READ THE RELEASE, I UNDERSTAND IT AND I KNOW THAT I AM GIVING UP IMPORTANT RIGHTS. I HAVE OBTAINED SUFFICIENT INFORMATION TO INTELLIGENTLY EXERCISE MY OWN JUDGMENT. I HAVE BEEN ADVISED THAT I SHOULD CONSULT WITH AN ATTORNEY BEFORE SIGNING IT, AND I HAVE SIGNED THE RELEASE KNOWINGLY AND VOLUNTARILY.

EFFECTIVE UPON EXECUTION BY EMPLOYEE AND THE COMPANY.

Executed this ____ day of _____, 20__

Agreed and Accepted:

Gossamer Bio Services, Inc.

By:
Title:
Date:

Exhibit B

Proprietary Information and Inventions Assignment Agreement

GOSSAMER BIO SERVICES, INC.

PROPRIETARY INFORMATION AND INVENTIONS AGREEMENT

The following confirms an agreement (“**Agreement**”) between you and **GOSSAMER BIO SERVICES, INC.**, a Delaware corporation (the “**Company**,” which term includes the Company’s parent, Gossamer Bio, Inc. (“**Parent**”), Parent’s subsidiaries, and any other entity in which I am asked to provide services for, and each of their respective successors and assigns), which is a material part of the consideration for my employment and continued employment by the Company:

1. **PROPRIETARY INFORMATION.** I understand that my employment creates a relationship of confidence and trust between me and the Company with respect to Proprietary Information of the Company, its business partners or its customers or suppliers which may be learned by me during the period of my employment or any period prior thereto wherein I was performing services for the Company or any predecessor thereof. For purposes of this Agreement, “**Proprietary Information**” is any information, data, trade secret or know-how (whether in tangible or electronic form or maintained in mind or memory or in another intangible form of expression) that was or is developed by, or became or becomes known by the Company or me in relation to my employment with the Company or otherwise concerns the business, operations, products, or technology of the Company, or was or is assigned or otherwise conveyed to the Company. “**Proprietary Information**” also includes, without limitation, all financial, business, scientific, technical, economic and/or engineering information, including without limitation, business strategies, business plans, forecasts, strategies, development plans, promotional and marketing objectives, results of research, trials or operations, pricing, customer lists, supplier lists, patent disclosures, patent applications, know-how, trade secrets, compilations, ideas, inventions, improvements, research, discoveries, techniques, methods, processes, manufacturing techniques, procedures, formulations, designs, patterns, drawings, flow charts, schematics, tooling, plans, configurations, specifications, documents, data sheets, mock-ups, models, compounds, compositions, structures, prototypes, programs, computer code, algorithms, mechanisms, materials, equipment, samples, test results, opinions, data, analysis, the salaries, duties, qualifications, performance levels, and terms of compensation of other employees and other proprietary information. Proprietary Information does not include any of the foregoing items that is or has become publicly and widely known and made generally available through no wrongful act of mine or of others who were under confidentiality obligations as to the item or items involved.

2. **COVENANTS AND AGREEMENTS.** In consideration of my employment by the Company and the compensation received by me from the Company from time to time, I hereby agree as follows:

(a) **Confidentiality.** At all times, both during my employment by the Company and after its termination, I will keep in confidence and trust and will not use or disclose any Proprietary Information or anything relating to it without the written consent of the Company, except as may be necessary in the ordinary course of performing my duties to the Company.

(b) **Defend Trade Secrets Act Notice of Immunity Rights.** I acknowledge that the Company has provided me with the following notice of immunity rights in compliance with the requirements of the Defend Trade Secrets Act: (i) I shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Proprietary Information

that is made in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law; (ii) I shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of Proprietary Information that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (iii) if I file a lawsuit for retaliation by the Company for reporting a suspected violation of law, I may disclose the Proprietary Information to my attorney and use the Proprietary Information in the court proceeding, if I file any document containing the Proprietary Information under seal, and do not disclose the Proprietary Information, except pursuant to court order.

(c) **Return of Company Documents.** In the event of the termination of my employment by me or by the Company for any reason, I shall return all physical and electronic documents and records and all apparatus, equipment and other property, or any reproduction of such property, whether or not pertaining to Proprietary Information, furnished to me by the Company or produced by myself or others in connection with my employment, to the Company immediately as and when requested by the Company.

(d) **Disclosure of Inventions.** I will promptly disclose to the Company, or any persons designated by it, all Inventions made or conceived or reduced to practice or developed by me, either alone or jointly with others, during the term of my employment or any period prior thereto wherein I was performing services for the Company or any predecessor thereof, in sufficient detail to enable the Company to practice such inventions. "Inventions" includes all improvements, inventions, discoveries, formulas, ideas, circuits, mask works, works of authorship, processes, computer programs, algorithms, techniques, schematics, industrial designs, know-how and data, whether or not patentable. I will also disclose to the Company all Inventions conceived, reduced to practice, or developed by me within six (6) months of the termination of my employment with the Company. Such disclosure shall be received by the Company in confidence and does not extend the assignment made in Section 2(e) below.

(e) **Ownership; Assignment of Inventions.** I agree that all Proprietary Information, and all Inventions which I make, conceive, reduce to practice or develop (in whole or in part, either alone or jointly with others) during my employment or any period prior thereto wherein I was performing services for the Company or any predecessor thereof, are and shall be the sole property of the Company to the maximum extent permitted by law. I hereby assign to the Company any and all rights I may have or acquire in such Inventions and/or in any other Proprietary Information of the Company and any and all worldwide patents, patent applications, copyrights, mask work rights, industrial design rights, trade secret rights and other intellectual property rights related thereto or resulting therefrom. The Company's ownership and my assignment hereunder shall not extend to Inventions that (a) qualify fully under the provisions of Section 2870 of the California Labor Code, a copy of which is attached hereto as Exhibit A, if I am employed in California or (b) I developed entirely on my own time without using the Company's equipment, supplies, facilities, or trade secret information except for those inventions that either: (1) relate at the time of conception or reduction to practice of the invention to the Company's business, or actual or demonstrably anticipated research or development of the Company; or (2) result from any work performed by me for the Company.

(f) **Assignment of Moral Rights.** In addition to the foregoing assignment of Inventions to the Company, I hereby irrevocably transfer and assign to the Company any and all "Moral Rights" (as defined below) that I may have in or with respect to any Invention. I also hereby forever waive and agree never to assert any and all Moral Rights I may have in or with

respect to any Invention, even after termination of my work on behalf of the Company. “Moral Rights” mean any rights to claim authorship of an invention to object to or prevent the modification of any Invention, or to withdraw from circulation or control the publication or distribution of any Invention, and any similar right, existing under judicial or statutory law of any country in the world, or under any treaty, regardless of whether or not such right is denominated or generally referred to as a “moral right.”

(g) **Work for Hire.** I acknowledge and agree that any copyrightable works prepared by me within the scope of my employment are “works for hire” under the Copyright Act and that the Company will be considered the author and owner of such copyrightable works.

(h) **Prior Inventions.** I have attached as Exhibit B a complete list of all Inventions or improvements that relate to the business of the Company or actual or demonstrably anticipated research or development of the Company, that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my employment by the Company or any period prior thereto wherein I was performing services for the Company or any predecessor thereof that I desire to clarify for the record are not Inventions which are to be assigned to Company under this Agreement, and I covenant that such list is complete. If no such list is attached to this Agreement, I represent that I have no such Inventions and improvements at the time of signing this Agreement. I will not use any prior Inventions in the performance of my duties without the prior express written consent of my supervisor, and if I do (but only if I do), I hereby grant to Company a perpetual, irrevocable, royalty-free, worldwide, full paid-up, transferable, sub-licensable, right and license to use and exploit the same.

(i) **Enforcement of Inventions; Further Actions.** I agree to perform, during and after my employment, all acts deemed necessary or desirable by the Company to permit and assist it, at the Company’s expense, in obtaining, maintaining and enforcing patents, copyrights, trade secret rights, rights with respect to mask works or other rights on such Inventions and/or any other Inventions I have or may at any time assign to the Company and any designee of the Company in any and all countries. Such acts may include, but are not limited to, execution of documents and assistance or cooperation in legal proceedings. I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents, as my agents and attorneys-in-fact to act for and in my behalf and instead of me, to execute and file any applications or related filings and to do all other lawfully permitted acts to further the prosecution and issuance of patents, copyrights, trade secret rights, rights with respect to mask works or other rights thereon with the same legal force and effect as if executed by me.

(j) **Records.** I agree to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that may be required by the Company) of all Proprietary Information developed by me and all Inventions made by me during the period of my employment at the Company, which records shall be available to and remain the sole property of the Company at all times.

(k) **Non-Competition.** During the period of my employment with the Company, without the prior written approval of an executive officer of the Company (or if I am an executive officer of the Company, without the prior approval of the Company’s Board of Directors), I will not, either as an employee, employer, consultant, agent, principal, partner or officer, engage or participate in any employment, business or activity that is directly competitive with the business or proposed business of the Company, and will not assist any other person or organization in directly competing with the Company, or in preparing to engage in direct

competition with the business or proposed business of the Company. The provisions of this section shall apply both during normal working hours and at all other times, including, without limitation, nights, weekends and vacation time, while I am employed by the Company.

(l) **No Solicitation.** During the term of my employment and for one (1) year thereafter, I will not, either directly or through others, solicit or attempt to solicit any employee, independent contractor or consultant of the Company to terminate his or her relationship with the Company in order to become an employee, consultant or independent contractor to or for any other person or entity, or otherwise encourage or solicit any employee of the Company to leave the Company for any reason or to devote less than all of any such employee's efforts to the affairs of the Company; provided that the foregoing shall not affect any responsibility I may have as an employee of the Company with respect to the bona fide hiring and firing of Company personnel.

(m) **No Conflicting Obligations.** I represent that my performance of all the terms of this Agreement will not breach any agreement or obligation to keep in confidence proprietary information acquired by me in confidence or in trust prior to my employment with the Company. I have not entered into, and I agree I will not enter into, any agreement either written or oral in conflict with this Agreement or in conflict with my employment with the Company.

(n) **No Improper Use of Information of Prior Employers and Others.** During my employment by the Company, I will not improperly use or disclose any confidential information or trade secrets, if any, of any former employer or any other person to whom I have an obligation of confidentiality, and I will not bring onto the premises of the Company any unpublished documents or any property belonging to any former employer or any other person to whom I have an obligation of confidentiality unless expressly authorized in writing by that former employer or person. Unless disclosed on Exhibit B hereto, I will use in the performance of my duties only information which is generally known and used by persons with training and experience comparable to my own, which is common knowledge in the industry or otherwise legally in the public domain, or which is otherwise provided or developed by the Company.

(o) **Notification of New Employer.** In the event that I leave the employ of the Company, I hereby consent to the notification of my new employer of my rights and obligations under this Agreement.

3. GENERAL PROVISIONS.

(a) **Employment.** I agree and understand that my employment with the Company constitutes "AT-WILL" employment and that nothing in this Agreement shall confer any right with respect to continuation of employment by the Company, nor shall it interfere in any way with my right or the Company's right to terminate my employment at any time, with or without cause.

(b) **Successors and Assigns.** This Agreement shall be effective as of the first day of my employment by the Company, and shall be binding upon me, my heirs, executors, assigns, and administrators and shall inure to the benefit of the Company, its subsidiaries, successors and assigns. I will not assign this Agreement or my obligations hereunder without the prior written consent of the Company, which consent may be withheld in the Company's sole discretion, and any such purported assignment without consent shall be null and void.

(c) **Survival.** The provisions of this Agreement shall survive the termination of my employment and the assignment of this Agreement by the Company to any successor in interest or other assignee.

(d) **Legal and Equitable Remedies.** Because my services are personal and unique and because I may have access to and become acquainted with the Proprietary Information of the Company, the Company shall have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief, without bond and without prejudice to any other rights and remedies that the Company may have for a breach of this Agreement.

(e) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provisions shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provisions were so excluded and shall be enforceable in accordance with its terms.

(f) **Titles.** The titles and headings appearing at the beginning of the numbered sections and at the beginning of paragraphs have been inserted for convenience only and do not constitute any part of this Agreement.

(g) **Governing Law; Consent to Personal Jurisdiction.** I understand and agree that this Agreement shall be interpreted and enforced in accordance with the laws of the State of California without regard to the conflict of laws provisions thereof. I hereby expressly consent to the personal jurisdiction of the state and federal courts located in San Diego County, California for any lawsuit filed there against me by Company arising from or related to this Agreement.

(h) **Entire Agreement; Amendment.** This Agreement and the Exhibits hereto contain the entire understanding between the parties relating to the subject matter hereof and supersede any and all prior agreements, understandings and arrangements, whether written or oral, between the parties relating to such subject matter hereof. This Agreement may only be amended in writing by the Company and me and our respective permitted successors and assigns.

(i) **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall be deemed one instrument.

[Signature Page Follows]

/s/ Richard Aranda

Name: Richard Aranda

Accepted and Agreed to:

Gossamer Bio Services, Inc.

By: /s/ Christian Waage

Name: Christian Waage

Title: EVP & General Counsel

SIGNATURE PAGE TO PROPRIETARY INFORMATION AND INVENTIONS AGREEMENT

EXHIBIT A

§2870. Application of provision providing that employee shall assign or offer to assign rights in invention to employer.

(a) Any provisions in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either: (1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or (2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

EXHIBIT B

GOSSAMER BIO SERVICES, INC.

Ladies and Gentlemen:

1. The following is a complete list of all inventions or improvements that relate to the business of GOSSAMER BIO SERVICES, INC. (the "Company") or actual or demonstrably anticipated research or development of the Company, that have been made or conceived or first reduced to practice by me alone or jointly with others prior to my employment by the Company or any period prior thereto wherein I was performing services for the Company or any predecessor thereof that I desire to clarify for the record are not Inventions which are to be assigned to Company under the Company's Proprietary Information and Inventions Agreement.

No inventions or improvements.

See below:

<u>Invention Description</u>	<u>Patent No.</u>	<u>Date of Issue</u>
-------------------------------------	--------------------------	-----------------------------

Additional sheets attached.

2. I propose to bring to my employment the following materials and documents of a former employer (provide copies of express written authorizations by former employer, if applicable):

No materials or documents.

/s/ Richard Aranda

Print Name: Richard Aranda

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Faheem Hasnain, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Gossamer Bio, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2021

/s/ Faheem Hasnain

Faheem Hasnain

President and Chief Executive Officer

(Principal Executive Officer)

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Bryan Giraud, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Gossamer Bio, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2021

/s/ Bryan Giraud

Bryan Giraud

Chief Financial Officer

(Principal Financial and Accounting Officer)

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

I, Faheem Hasnain, President and Chief Executive Officer of Gossamer Bio, Inc. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the accompanying Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2021 (the “Report”), as filed with the Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: August 9, 2021

/s/ Faheem Hasnain

Faheem Hasnain

President and Chief Executive Officer

(Principal Executive Officer)

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

I, Bryan Girardo, Chief Financial Officer of Gossamer Bio, Inc. (the "Company"), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the accompanying Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2021 (the "Report"), as filed with the Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: August 9, 2021

/s/ Bryan Girardo

Bryan Girardo

Chief Financial Officer

(Principal Financial and Accounting Officer)