UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 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: 001-37471

PIERIS PHARMACEUTICALS, INC.

(Exact name of registrant as specified in its charter)

Nevada	**30-0784346**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
255 State Street 9th Floor	
Boston, MA	
United States	**02109**
(Address of principal executive offices)	**(Zip Code)**

857-246-8998

Registrant's telephone number, including area code

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

Title of Each Class	**Trading Symbol**	**Name of Each Exchange on Which Registered**
Common Stock, $0.001 par value per share	**PIRS**	**The Nasdaq Capital Market**

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

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

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

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

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

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

As of May 12, 2021, the registrant had 63,303,219 shares of common stock outstanding.

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Special Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, that involve risks and uncertainties, principally in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations." All statements other than statements of historical fact contained in this Quarterly Report on Form 10-Q, including statements regarding future events, our future financial performance, expectations for growth and revenues, anticipated timing and amounts of milestone and other payments under collaboration agreements, business strategy and plans, objectives of management for future operations, timing and outcome of legal and other proceedings, and our ability to finance our operations are forward-looking statements. We have attempted to identify forward-looking statements by terminology including "anticipates," "believes," "can," "continue," "look forward," "ongoing," "could," "estimates," "expects," "intends," "may," "appears," "suggests," "future," "likely," "plans," "potential," "possibly," "projects," "predicts," "seek," "should," "target," "would" or "will" or the negative of these terms or other comparable terminology. Although we do not make forward-looking statements unless we believe we have a reasonable basis for doing so, we cannot guarantee their accuracy. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks outlined under "Risk Factors" or elsewhere in our most recent Annual Report on Form 10-K or Quarterly Reports on Form 10-Q, which may cause our or our industry's actual results, levels of activity, performance or achievements expressed or implied by these forward-looking statements to differ materially.

Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time, and it is not possible for us to predict all risk factors, nor can we address the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause our actual results to differ materially from those contained in any forward-looking statements. Actual results could differ materially from our forward-looking statements due to a number of factors, including, without limitation, risks related to: the results of our research and development activities, including uncertainties relating to the discovery of potential drug candidates and the preclinical and ongoing or planned clinical testing of our drug candidates; the early stage of our drug candidates presently under development; our ability to obtain and, if obtained, maintain regulatory approval of our current drug candidates and any of our other future drug candidates; our need for substantial additional funds in order to continue our operations and the uncertainty of whether we will be able to obtain the funding we need; our future financial performance; our ability to retain or hire key scientific or management personnel; our ability to protect our intellectual property rights that are valuable to our business, including patent and other intellectual property rights; our dependence on third-party manufacturers, suppliers, research organizations, testing laboratories and other potential collaborators; the success of our collaborations with third parties; our ability to meet milestones; our ability to successfully market and sell our drug candidates in the future as needed; the size and growth of the potential markets for any of our approved drug candidates and the rate and degree of market acceptance of any of our approved drug candidates; competition in our industry; regulatory developments in the United States and foreign countries, including with respect to the U.S. Food and Drug Administration, or FDA; our ability to advance our phase 2 study for cinrebafusp alfa, or PRS-343; the expected impact of new accounting standards; and the length and severity of the pandemic relating to SARS-CoV-2 (severe acute respiratory syndrome coronavirus 2), or coronavirus, which causes coronavirus disease 2019, or COVID-19, which could have an impact on our research, development, supply chain and clinical trials.

You should not place undue reliance on any forward-looking statement(s), each of which applies only as of the date of this Quarterly Report on Form 10-Q. Before you invest in our securities, you should be aware that the occurrence of the events described 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 Securities and Exchange Commission, or SEC, on March 31, 2021, could negatively affect our business, operating results, financial condition and stock price. All forward-looking statements included in this document are based on information available to us on the date hereof, and except as required by law, we undertake no obligation to update or revise publicly any of the forward-looking statements after the date of this Quarterly Report on Form 10-Q to conform our statements to actual results or changed expectations.

Currency Presentation and Currency Translation

Unless otherwise indicated, all references to "dollars," "$," "U.S. $" or "U.S. dollars" are to the lawful currency of the United States. All references in this Quarterly Report on Form 10-Q to "euro" or "€" are to the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended. We prepare our financial statements in U.S. dollars.

The functional currency for our operations is primarily the euro. With respect to our financial statements, the translation from the euro to U.S. dollars is performed for balance sheet accounts using exchange rates in effect at the balance sheet date and for revenue and expense accounts using a weighted average exchange rate during the period. The resulting translation adjustments are recorded as a component of accumulated other comprehensive income/loss.

Where in this Quarterly Report on Form 10-Q we refer to amounts in euros, we have for your convenience also, in certain cases, provided a conversion of those amounts to U.S. dollars in parentheses. Where the numbers refer to a specific balance sheet account date or financial statement account period, we have used the exchange rate that was used to perform the conversions in connection with the applicable financial statement. In all other instances, unless otherwise indicated, the conversions have been made using the noon buying rate of €1.00 to U.S. $1.1725 based on information provided by Refinitiv as of March 31, 2021.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

PIERIS PHARMACEUTICALS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited, in thousands)

	March 31, 2021	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	$ 66,835	$ 70,436
Accounts receivable	15,810	1,706
Prepaid expenses and other current assets	5,627	3,579
Total current assets	88,272	75,721
Property and equipment, net	20,512	22,046
Operating lease right-of-use assets	3,789	3,934
Other non-current assets	3,213	3,309
Total assets	$ 115,786	$ 105,010
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 3,467	$ 1,787
Accrued expenses and other current liabilities	9,562	7,731
Deferred revenues, current portion	17,236	12,627
Total current liabilities	30,265	22,145
Deferred revenue, net of current portion	32,315	35,900
Operating lease liabilities	14,970	15,932
Other long-term liabilities	—	6
Total liabilities	77,550	73,983
Stockholders' equity:		
Preferred stock	—	—
Common stock	60	56
Additional paid-in capital	253,560	242,672
Accumulated other comprehensive loss	194	(295)
Accumulated deficit	(215,578)	(211,406)
Total stockholders' equity	38,236	31,027
Total liabilities and stockholders' equity	$ 115,786	$ 105,010

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

PIERIS PHARMACEUTICALS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(unaudited)

(in thousands, except per share data)

	Three Months Ended March 31,	
	2021	**2020**
Revenue		
Customer revenue	$ 14,866	$ 8,885
Collaboration revenue	767	4,376
Total revenue	15,633	13,261
Operating expenses		
Research and development	16,562	12,758
General and administrative	4,130	4,359
Total operating expenses	20,692	17,117
Loss from operations	(5,059)	(3,856)
Other income (expense)		
Interest income	3	319
Other income (expense)	884	(60)
Net loss	$ (4,172)	$ (3,597)
Other comprehensive income:		
Foreign currency translation	489	652
Unrealized gain on available-for-sale securities	—	116
Comprehensive loss	$ (3,683)	$ (2,829)
Net loss per share		
Basic and diluted	$ (0.07)	$ (0.07)
Weighted average number of common shares outstanding		
Basic and diluted	56,297	55,212

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

PIERIS PHARMACEUTICALS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(unaudited, in thousands)

For the Three Months Ended March 31, 2020 and 2021

	Preferred shares		Common shares		Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total Stockholders' equity
	No. of shares	Share capital	No. of shares	Share capital				
Balance as of December 31, 2019	11	$ —	55,212	$ 55	$ 227,468	$ (1,995)	$ (174,176)	$ 51,352
Net loss	—	—	—	—	—	—	(3,597)	(3,597)
Foreign currency translation adjustment	—	—	—	—	—	652	—	652
Unrealized gain on investments	—	—	—	—	—	116	—	116
Stock based compensation expense	—	—	—	—	1,283	—	—	1,283
Balance as of March 31, 2020	11	$ —	55,212	$ 55	$ 228,751	$ (1,227)	$ (177,773)	$ 49,806
Balance as of December 31, 2020	14	$ —	56,003	$ 56	$ 242,672	$ (295)	$ (211,406)	$ 31,027
Net loss	—	—	—	—	—	—	(4,172)	(4,172)
Foreign currency translation adjustment	—	—	—	—	—	489	—	489
Stock based compensation expense	—	—	—	—	1,199	—	—	1,199
Issuance of common stock resulting from exercise of stock options	—	—	10	—	20	—	—	20
Issuance of common stock resulting from purchase of employee stock purchase plan shares	—	—	—	—	—	—	—	—
Issuance of common stock resulting from exercise of warrants	—	—	—	—	—	—	—	—
Issuance of common stock pursuant to private placement offering	—	—	3,706	4	9,669	—	—	9,673
Balance as of March 31, 2021	14	$ —	59,719	$ 60	$ 253,560	$ 194	$ (215,578)	$ 38,236

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

PIERIS PHARMACEUTICALS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited, in thousands)

	Three Months Ended March 31,	
	2021	**2020**
Operating activities:		
Net loss	$ (4,172)	$ (3,597)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	625	339
Right-of-use asset amortization	(25)	199
Stock-based compensation	1,199	1,283
Other non-cash transactions	(41)	100
Changes in operating assets and liabilities	(9,724)	(13,455)
Net cash used in operating activities	(12,138)	(15,131)
Investing activities:		
Purchases of property and equipment	(28)	(1,927)
Proceeds from maturity of investments	—	28,373
Purchases of investments	—	(26,032)
Net cash (used in)/provided by investing activities	(28)	414
Financing activities:		
Proceeds from exercise of stock options	20	—
Issuance of common stock, net of issuance costs	9,673	—
Net cash provided by financing activities	9,693	—
Effect of exchange rate change on cash and cash equivalents	(1,128)	(112)
Net decrease in cash and cash equivalents	(3,601)	(14,829)
Cash and cash equivalents at beginning of period	70,436	62,260
Cash and cash equivalents at end of period	$ 66,835	$ 47,431
Supplemental cash flow disclosures:		
Net unrealized gain on investments	$ —	$ 46
Property and equipment included in accounts payable	$ 36	$ 590

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

PIERIS PHARMACEUTICALS, INC.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1. Corporate Information

Pieris Pharmaceuticals, Inc. was founded in May 2013, and acquired 100% interest in Pieris Pharmaceuticals GmbH (formerly Pieris AG, a German company that was founded in 2001) in December 2014. Pieris Pharmaceuticals, Inc. and its wholly-owned subsidiaries, hereinafter collectively Pieris, or the Company, is a clinical-stage biopharmaceutical company that discovers and develops Anticalin-based drugs to target validated disease pathways in unique and transformative ways. Pieris' corporate headquarters is located in Boston, Massachusetts and its research facility is located in Hallbergmoos, Germany.

Pieris' clinical pipeline includes an inhaled IL-4Rα antagonist Anticalin protein to treat moderate-to-severe asthma and an immuno-oncology, or IO, bispecific targeting 4-1BB and HER2.

The Company's core Anticalin technology and platform was developed in Germany, and the Company has partnership arrangements with several major multi-national pharmaceutical companies.

The Company is subject to risks common to companies in the biotechnology industry, including but not limited to, the need for additional capital, risks of failure of preclinical studies and clinical trials, the need to obtain marketing approval and reimbursement for any drug product candidate that it may identify and develop, the need to successfully commercialize and gain market acceptance of its product candidates, dependence on key personnel, protection of proprietary technology, compliance with government regulations, development of technological innovations by competitors, reliance on third-party manufacturers and the ability to transition from pilot-scale production to large-scale manufacturing of products.

As of March 31, 2021, cash and cash equivalents were $66.8 million, which does not include the $13.0 million milestone payment earned from AstraZeneca AB, or AstraZeneca, related to the initiation of the phase 2a study for PRS-060/AZD1402, $10.0 million in gross proceeds from the Company's private placement of common stock to AstraZeneca, which closed on April 1, 2021 (see Note 3), and the $10.0 million upfront payment due from Boston Pharmaceuticals for the Exclusive Product License Agreement entered into on April 24, 2021 (see Note 3).

The Company's net loss was $4.2 million and $3.6 million for the quarters ended March 31, 2021 and 2020, respectively. The Company has incurred net losses since inception and had an accumulated deficit of $215.6 million as of March 31, 2021. Net losses and negative cash flows from operations have had, and will continue to have, an adverse effect on the Company's stockholders' equity and working capital. The Company expects to continue to incur operating losses for at least the next several years.

The future success of the Company is dependent on its ability to identify and develop its product candidates, expand its corporate infrastructure and ultimately upon its ability to attain profitable operations. The Company has devoted substantially all of its financial resources and efforts to research and development and general and administrative expenses to support such research and development. The Company has several research and development programs underway in varying stages of development and it expects that these programs will continue to require increasing amounts of cash for development, conducting clinical trials, and testing and manufacturing of product material. Cash necessary to fund operations will increase significantly over the next several years as the Company continues to conduct these activities necessary to pursue governmental regulatory approval of clinical-stage programs and other product candidates.

The Company plans to raise additional capital to fulfill its operating and capital requirements through public or private equity financings, utilization of its current "at the market offering" program, or ATM Program, strategic collaborations, licensing arrangements and/or the achievement of milestones under its collaborative agreements. The funding requirements of the Company's operating plans, however, are based on estimates that are subject to risks and uncertainties and may change as a result of many factors currently unknown. Although management continues to pursue these funding plans, there is no assurance that the Company will be successful in obtaining sufficient funding on terms acceptable to the Company to fund continuing operations, if at all. Until such time that the Company can generate substantial product revenues, if ever, the Company expects to finance its cash needs through a combination of equity offerings, debt financings, strategic partnerships and licensing arrangements. The terms of any future financing may adversely affect the holdings or the rights of the Company's existing stockholders.

The Company believes that its currently available funds will be sufficient to fund the Company's operations through at least the next twelve months from the issuance of this Quarterly Report on Form 10-Q. The Company's belief with respect to its ability

to fund operations is based on estimates that are subject to risks and uncertainties. If actual results are different from management's estimates, the Company may need to seek additional funding. If the Company is unable to obtain additional funding on acceptable terms when needed, it may be required to defer or limit some or all of its research, development and/or clinical projects.

2. Summary of Significant Accounting Policies

The Company's significant accounting policies are described in Note 2—Summary of Significant Accounting Policies, in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020. There has been no material change to the significant accounting policies during the three months ended March 31, 2021.

Unaudited Interim Financial Information

The accompanying unaudited condensed consolidated financial statements included herein have been prepared by the Company in accordance with accounting principles generally accepted in the United States, or U.S. GAAP, for interim financial information and pursuant to the rules and regulations of the SEC. Accordingly, certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, all adjustments, consisting of normal recurring adjustments, and disclosures considered necessary for a fair presentation of interim period results have been included. Interim results for the three months ended March 31, 2021 are not necessarily indicative of results that may be expected for the year ending December 31, 2021. For further information, refer to the financial statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020, which was filed with the SEC on March 31, 2021.

Basis of Presentation and Use of Estimates

The accompanying condensed consolidated financial statements of Pieris Pharmaceuticals, Inc. and its wholly-owned subsidiaries were prepared in accordance with U.S. GAAP. The condensed consolidated financial statements include the accounts of all subsidiaries. All intercompany balances and transactions have been eliminated.

The preparation of the financial statements in accordance with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and the related disclosures at the date of the financial statements and during the reporting period. Significant estimates are used for, but are not limited to, revenue recognition; deferred tax assets, deferred tax liabilities and valuation allowances; determination of the incremental borrowing rate to calculate right-of-use assets and lease liabilities; beneficial conversion features; fair value of stock options, preferred stock, and warrants; and various accruals. Management evaluates its estimates on an ongoing basis. Actual results and outcomes could differ materially from management's estimates, judgments and assumptions.

Cash, Cash Equivalents and Investments

The Company determines the appropriate classification of its investments at the time of purchase. All liquid investments with original maturities of 90 days or less from the purchase date and for which there is an active market are considered to be cash equivalents. The Company's investments are comprised of money market, asset backed securities, government treasuries and corporate bonds that are classified as available-for-sale in accordance with FASB Accounting Standards Codification, or ASC, 320, *Investments—Debt and Equity Securities.* The Company classifies investments available to fund current operations as current assets on its balance sheets.

Available-for-sale investments are recorded at fair value, with unrealized gains or losses included in accumulated other comprehensive loss on the Company's balance sheets. Realized gains and losses are determined using the specific identification method and are included as a component of other income.

The Company reviews investments for other-than-temporary impairment whenever the fair value of an investment is less than the amortized cost and evidence indicates that an investment's carrying amount is not recoverable within a reasonable period of time. To determine whether an impairment is other-than temporary, the Company considers its intent to sell or whether it is more likely than not that the Company will be required to sell the investment before recovery of the investment's amortized cost basis. Evidence considered in this assessment includes reasons for the impairment, the severity and the duration of the impairment and changes in value subsequent to period end.

Concentration of Credit Risk and Off-Balance Sheet Risk

The Company has no financial instruments with off-balance sheet risk such as foreign exchange contracts, option contracts or other foreign hedging arrangements. Financial instruments that subject Pieris to concentrations of credit risk include cash and cash equivalents, investments, and accounts receivable. The Company's cash, cash equivalents, and investments are held in accounts with financial institutions that management believes are creditworthy. The Company's investment policy includes guidelines on the quality of the institutions and financial instruments and defines allowable investments that the Company believes minimizes the exposure to concentration of credit risk. The Company has not experienced any credit losses in such accounts and does not believe it is exposed to any significant credit risk on these funds. Accounts receivable primarily consist of amounts due under strategic partnership and other license agreements with major multi-national pharmaceutical companies for which the Company does not obtain collateral.

Fair Value Measurement

The Company is required to disclose information on all assets and liabilities reported at fair value that enables an assessment of the inputs used in determining the reported fair values. FASB ASC Topic 820, *Fair Value Measurement and Disclosures*, established a hierarchy of inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the financial instrument based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the inputs that market participants would use in pricing the financial instrument and are developed based on the best information available in the circumstances. The fair value hierarchy applies only to the valuation inputs used in determining the reported or disclosed fair value of the financial instruments and is not a measure of the investment credit quality. Fair value measurements are classified and disclosed in one of the following three categories:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.
- Level 2 utilizes quoted market prices in markets that are not active, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency.
- Level 3 inputs are unobservable inputs for the asset or liability in which there is little, if any, market activity for the asset or liability at the measurement date.

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

Financial instruments measured at fair value on a recurring basis include cash equivalents (see Note 4).

An entity may elect to measure many financial instruments and certain other items at fair value at specified election dates. Subsequent unrealized gains and losses on items for which the fair value option has been elected will be reported in net loss. The Company did not elect to measure any additional financial instruments or other items at fair value.

Property and Equipment

Property and equipment are recorded at acquisition cost, less accumulated depreciation and impairment. Depreciation on property and equipment is calculated using the straight-line method over the remaining estimated useful lives of the assets. Maintenance and repairs to these assets are charged to expenses as occurred. The estimated useful life of the different groups of property and equipment is as follows:

Asset Classification	Estimated useful life (in years)
Leasehold improvements	shorter of useful life or remaining life of the lease
Laboratory furniture and equipment	8 - 14
Office furniture and equipment	5 - 13
Computer and equipment	3 - 7

Revenue Recognition

The Company has entered into several licensing agreements with collaboration partners for the development of Anticalin therapeutics against a variety of targets. The terms of these agreements provide for the transfer of multiple goods or services which may include: (i) licenses, or options to obtain licenses, to the Company's Anticalin technology and/or specific programs and (ii) research and development activities to be performed on behalf of or with a collaborative partner. Payments to Pieris under these agreements may include upfront fees (which include license and option fees), payments for research and development activities, payments based upon the achievement of certain milestones and royalties on product sales. There are no performance, cancellation, termination or refund provisions in any of the arrangements that could result in material financial consequences to Pieris.

Collaborative Arrangements

The Company considers the nature and contractual terms of an arrangement and assesses whether the arrangement involves a joint operating activity pursuant to which it is an active participant and exposed to significant risks and rewards with respect to the arrangement. If the Company is an active participant and exposed to the significant risks and rewards with respect to the arrangement, it accounts for these arrangements pursuant to ASC 808, *Collaborative Arrangements*, or ASC 808, and applies a systematic and rational approach to recognize revenue. The Company classifies payments received as revenue and payments made as a reduction of revenue in the period in which they are earned. Revenue recognized under a collaborative arrangement involving a participant that is not a customer is presented as Collaboration Revenue in the Statement of Operations.

Revenue from Contracts with Customers

In accordance with ASC 606, revenue is recognized when a customer obtains control of promised goods or services. The amount of revenue recognized reflects the consideration to which the Company expects to be entitled in exchange for these goods and services. To achieve this core principle, the Company applies the following five steps: 1) identify the customer contract; 2) identify the contract's performance obligations; 3) determine the transaction price; 4) allocate the transaction price to the performance obligations; and 5) recognize revenue when or as a performance obligation is satisfied.

The Company evaluates all promised goods and services within a customer contract and determines which of such goods and services are separate performance obligations. This evaluation includes an assessment of whether the good or service is capable of being distinct and whether the good or service is separable from other promises in the contract. In assessing whether promised goods or services are distinct, the Company considers factors such as the stage of development of the underlying intellectual property and the capabilities of the customer to develop the intellectual property on their own or whether the required expertise is readily available.

Licensing arrangements are analyzed to determine whether the promised goods or services, which often include licenses, research and development services and governance committee services, are distinct or whether they must be accounted for as part of a combined performance obligation. If the license is considered not to be distinct, the license would then be combined with other promised goods or services as a combined performance obligation. If the Company is involved in a governance committee, it assesses whether its involvement constitutes a separate performance obligation. When governance committee services are determined to be separate performance obligations, the Company determines the fair value to be allocated to this promised service.

Certain contracts contain optional and additional items, which are considered marketing offers and are accounted for as separate contracts with the customer if such option is elected by the customer, unless the option provides a material right which would not be provided without entering into the contract. An option that is considered a material right is accounted for as a separate performance obligation.

The transaction price is determined based on the consideration to which the Company will be entitled in exchange for transferring goods and services to the customer. A contract may contain variable consideration, including potential payments for both milestone and research and development services. For certain potential milestone payments, the Company estimates the amount of variable consideration by using the most likely amount method. In making this assessment, the Company evaluates factors such as the clinical, regulatory, commercial and other risks that must be overcome to achieve the milestone. Each reporting period the Company re-evaluates the probability of achievement of such variable consideration and any related constraints. Pieris will include variable consideration, without constraint, in the transaction price to the extent it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. For potential research and development service payments, the Company

estimates the amount of variable consideration by using the expected value method, including any approved budget updates arising from additional research or development services.

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price among the performance obligations on a relative standalone selling price basis unless a portion of the transaction price is variable and meets the criteria to be allocated entirely to a performance obligation or to a distinct good or service that forms part of a single performance obligation.

The Company allocates the transaction price based on the estimated standalone selling price of the underlying performance obligations or in the case of certain variable consideration to one or more performance obligations. The Company must develop assumptions that require judgment to determine the stand-alone selling price for each performance obligation identified in the contract. The Company utilizes key assumptions to determine the stand-alone selling price, which may include other comparable transactions, pricing considered in negotiating the transaction and the estimated costs to complete the respective performance obligation. Certain variable consideration is allocated specifically to one or more performance obligations in a contract when the terms of the variable consideration relate to the satisfaction of the performance obligation and the resulting amounts allocated to each performance obligation are consistent with the amount the Company would expect to receive for each performance obligation.

When a performance obligation is satisfied, revenue is recognized for the amount of the transaction price, excluding estimates of variable consideration that are constrained, that is allocated to that performance obligation on a relative standalone selling price basis. Significant management judgment is required in determining the level of effort required under an arrangement and the period over which the Company is expected to complete its performance obligations under an arrangement.

For performance obligations consisting of licenses and other promises, the Company utilizes judgment to assess the nature of the combined performance obligation to determine whether the combined performance obligation is satisfied over time or at a point in time and, if over time, the appropriate method of measuring progress for purposes of recognizing revenue from non- refundable, up-front fees. The Company evaluates the measure of progress each reporting period and, if necessary, adjusts the measure of performance and related revenue recognition. If the license to the Company's intellectual property is determined to be distinct from the other performance obligations identified in the arrangement, the Company will recognize revenue from non-refundable, up-front fees allocated to the license when the license is transferred to the customer and the customer is able to use and benefit from the license.

Revenue recognized under an arrangement involving a participant that is a customer is presented as Customer Revenue.

Milestones and Royalties

The Company aggregates milestones into four categories: (i) research milestones, (ii) development milestones, (iii) commercial milestones, and (iv) sales milestones. Research milestones are typically achieved upon reaching certain success criteria as defined in each agreement related to developing an Anticalin protein against the specified target. Development milestones are typically reached when a compound reaches a defined phase of clinical research or passes such phase or upon gaining regulatory approvals. Commercial milestones are typically achieved when an approved pharmaceutical product reaches the status for commercial sale, including regulatory approval. Sales milestones are certain defined levels of net sales by the licensee, such as when a product first achieves global sales or annual sales of a specified amount.

There is uncertainty that the events to obtain the research and development milestones will be achieved given the nature of clinical development and the stage of the Company's technology. The Company has thus determined that all research and development milestones will be constrained until it is deemed probable that a significant revenue reversal will not occur. For revenues from research and development milestones, payments will be recognized consistent with the recognition pattern of the performance obligation to which they relate.

For arrangements that include sales-based royalties, including milestone payments based on the level of sales, and for which the license is deemed to be the predominant item to which the royalties relate, the Company recognizes revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied). Commercial milestones and sales royalties are determined by sales or usage-based thresholds and will be accounted for under the royalty recognition constraint as constrained variable consideration.

Contract Balances

The Company recognizes a contract asset when the Company transfers goods or services to a customer before the customer pays consideration or before payment is due, excluding any amounts presented as a receivable (i.e., accounts receivable). A contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer. The contract liabilities (i.e., deferred revenue) primarily relate to contracts where the Company has received payment but has not yet satisfied the related performance obligations.

In the event of an early termination of a collaboration agreement, any contract liabilities would be recognized in the period in which all Company obligations under the agreement have been fulfilled.

Costs to Obtain and Fulfill a Contract with a Customer

Certain costs to obtain customer contracts, including success-based fees paid to third-party service providers, and costs to fulfill customer contracts are capitalized in accordance with FASB ASC 340, *Other Assets and Deferred Costs*, or ASC 340. These costs are amortized to expense on a systemic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The Company will expense the amortization of costs to obtain customer contracts to general and administrative expense and costs to fulfill customer contracts to research and development expense.

Leases

In accordance with ASU No. 2016-2,*Leases (Topic 842)*, or ASC 842, and for each of the Company's leases, the following is recognized: (i) a lease liability, which is a lessees obligation to make lease payments arising from a lease, measured on a discounted basis and (ii) a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term for all leases (with the exception of short-term leases) at the commencement date.

The Company determines if an arrangement is a lease at inception. The Company's contracts are determined to contain a lease within the scope of ASC 842 when all of the following criteria based on the specific circumstances of the arrangement are met: (1) there is an identified asset for which there are no substantive substitution rights; (2) the Company has the right to obtain substantially all of the economic benefits from the identified asset; and (3) the Company has the right to direct the use of the identified asset.

At the commencement date, operating lease liabilities and their corresponding right-of-use assets are recorded based on the present value of future lease payments over the expected lease term. The Company's lease agreements do not provide an implicit rate. As a result, the Company utilizes an estimated incremental borrowing rate to discount lease payments, which is based on the rate of interest the Company would have to pay to borrow a similar amount on a collateralized basis over a similar term and based on observable market data points. Certain adjustments to the right-of-use asset may be required for items such as initial direct costs paid or lease incentives received. Operating lease cost is recognized over the expected term on a straight-line basis.

The Company typically only includes an initial lease term in its assessment of a lease agreement. Options to renew a lease are not included in the Company's assessment unless there is reasonable certainty that the Company will renew. The expected lease term includes noncancelable lease periods and, when applicable, periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option, as well as periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

Assumptions made by the Company at the commencement date are re-evaluated upon occurrence of certain events, including a lease modification. A lease modification results in a separate contract when the modification grants the lessee an additional right of use not included in the original lease and when lease payments increase commensurate with the standalone price for the additional right of use. When a lease modification results in a separate contract, it is accounted for in the same manner as a new lease.

Recent Accounting Pronouncement Adopted

In December 2019, the FASB issued ASU No. 2019-12,*Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*which amends and aims to simplify accounting disclosure requirements regarding a number of topics including intraperiod tax allocation, accounting for deferred taxes when there are changes in consolidation of certain investments, tax basis step up in an acquisition and the application of effective rate changes during interim periods, among other improvements.

This standard is effective for fiscal years beginning after December 15, 2020 and was adopted by the Company on January 1, 2021. Adoption of this new standard did not have a material impact on the Company.

Recent Accounting Pronouncements Not Yet Adopted

In June 2016, the FASB issued ASU No. 2016-13,*Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Statements,* or ASU 2016-13. ASU 2016-13 significantly changes the impairment model for most financial assets and certain other instruments. The new standard requires that expected credit losses relating to financial assets measured on an amortized cost basis and available-for-sale debt securities be recorded through an allowance for credit losses. It also limits the amount of credit losses to be recognized for available-for-sale debt securities to the amount by which carrying value exceeds fair value, and requires the reversal of previously recognized credit losses if fair value increases. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial asset(s) to present the net carrying value at the amount expected to be collected on the financial asset.

Subsequently, in November 2018, the FASB issued ASU No. 2018-19,*Codification Improvements to Topic 326, Financial Instruments-Credit Losses*, which clarifies codification and corrects unintended application of the guidance. In November 2019, the FASB issued ASU No. 2019-11, *Codification Improvements to Topic 326, Financial Instruments-Credit Losses*, which clarifies or addresses specific issues about certain aspects of ASU 2016-13. In November 2019 the FASB also issued ASU No. 2019-10, *Financial Instruments-Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates*, which delays the effective date of ASU 2016-13 by three years for certain smaller reporting companies such as the Company. The guidance in ASU 2016-13 is effective for the Company for financial statements issued for fiscal years beginning after December 15, 2022 and interim periods within those fiscal years, with early adoption permitted. The Company is still evaluating the impact of the adoption of this standard.

The Company has considered other recent accounting pronouncements and concluded that they are either not applicable to the business or that the effect is not expected to be material to the unaudited condensed consolidated financial statements as a result of future adoption.

3. Revenue

General

The Company has not generated revenue from product sales. The Company has generated revenue from contracts with customers and revenue from collaboration agreements, which include upfront payments for licenses or options to obtain licenses, payments for research and development services and milestone payments.

The Company recognized revenue from the following strategic partnerships and other license agreements (in thousands):

	Three Months Ended March 31,	
	2021	2020
Seagen	$ 366	$ 448
AstraZeneca	14,500	2,711
Servier	767	10,102
Total Revenue	$ 15,633	$ 13,261

Under the Company's existing strategic partnerships and other license agreements, the Company could receive the following potential milestone payments (in millions):

	Research, Development, Regulatory & Commercial Milestones	Sales Milestones
AstraZeneca	$ 1,096	$ 4,275
Servier	236	211
Seagen	754	450
Total potential milestone payments	$ 2,086	$ 4,936

Strategic Partnerships

Seagen

On February 8, 2018, the Company entered into a license and collaboration agreement, or the Seagen Collaboration Agreement, and a non-exclusive Anticalin platform technology license agreement, or the Seagen Platform License, and together with the Seagen Collaboration Agreement, the Seagen Agreements, with Seagen Inc. (formerly Seattle Genetics, Inc.), or Seagen, pursuant to which the parties will develop multiple targeted bispecific IO treatments for solid tumors and blood cancers.

Under the terms of the Seagen Agreements, the companies will pursue multiple antibody-Anticalin fusion proteins during the research phase. The Seagen Agreements provide Seagen a base option to select up to three programs for further development. Prior to the initiation of a pivotal trial, the Company may opt into global co-development and U.S. commercialization of the second program and share in global costs and profits on an equal basis. Seagen will solely develop, fund and commercialize the other two programs. Seagen may also decide to select additional candidates from the initial research phase for further development in return for the payment to the Company of additional fees, milestone payments and royalties.

The Seagen Platform License grants Seagen a non-exclusive license to certain intellectual property related to the Anticalin platform technology.

Upon signing the Seagen Agreements, Seagen paid the Company a $30.0 million upfront fee and an additional $4.9 million was estimated to be paid for research and development services as reimbursement to the Company through the end of the research term. In addition, the Company may receive tiered royalties on net sales up to the low double-digits and up to $1.2 billion in total success-based research, development, commercial and sales milestones payments across the product candidates, depending on the successful development and commercialization of those candidates. If Seagen exercises its option to select additional candidates from the initial research phase for further development, payment to Pieris of additional fees, milestone payments and royalties would result.

The term of each of the Seagen Agreements ends upon the expiration of all of Seagen's payment obligations under each such agreement. The Seagen Collaboration Agreement may be terminated by Seagen on a product-by-product basis for convenience beginning 12 months after its effective date upon 90 days' notice or, for any program where a pivotal study has been initiated, upon 180 days' notice. Any program may be terminated at Seagen's option. If any program is terminated by Seagen after a pre-defined preclinical stage, the Company will have full rights to continue such program. If any program is terminated by Seagen prior to such pre-defined preclinical stage, the Company will have the right to continue to develop such program, but will be obligated to offer a co-development option to Seagen for such program. The Seagen Collaboration Agreement may also be terminated by Seagen or the Company for an uncured material breach by the other party upon 90 days' notice, subject to extension for an additional 90 days if the material breach relates to diligence obligations and subject, in all cases, to dispute resolution procedures. The Seagen Collaboration Agreement may also be terminated due to the other party's insolvency and may in certain instances, including for reasons of safety, be terminated on a product-by-product basis. Each party may also terminate the Seagen Agreements if the other party challenges the validity of any patents licensed under the Seagen Agreements, subject to certain exceptions. The Seagen Platform License will terminate upon termination of the Seagen Collaboration Agreement, whether in its entirety or on a product-by-product basis.

The Company determined that the Seagen Agreements should be combined and evaluated as a single arrangement under ASC 606 as they were executed on the same date. The arrangement with Seagen provides for the transfer of the following goods or services: (i) three candidate research licenses that each consist of a non-exclusive platform technology license, a co-exclusive candidate research license, and research and development services, (ii) research, development and manufacturing services associated with each candidate research license, (iii) participation on various governance committees, and (iv) two antibody target swap options which were assessed as material rights.

Management evaluated all of the promised goods or services within the contract and determined which such goods and services were separate performance obligations. The Company determined that the licenses granted, at arrangement inception, should be combined with the research and development services to be provided for the related antibody target programs as they are not capable of being distinct. A third party would not be able to provide the research and development services due to the specific nature of the intellectual property and knowledge required to perform the services, and Seagen could not benefit from the licenses without the corresponding services. The Company determined that the participation on the various governance committees was distinct as the services could be performed by an outside party.

As a result, management concluded there weresix separate performance obligations at the inception of the Seagen Agreements: (i) three combined performance obligations, each comprised of a non-exclusive platform technology license, a co-exclusive

candidate research license, and research and development services for the firstthree approved Seagen antibody target programs, (ii) two performance obligations each comprised of a material right for an antibody target swap option for the first and the second approved Seagen antibody target for no additional consideration, and (iii) one performance obligation comprised of the participation on the various governance committees.

The Company allocated consideration to the performance obligations based on the relative proportion of their standalone selling prices. The Company developed standalone selling prices for licenses by applying a risk adjusted, net present value, estimate of future potential cash flows approach, which included the cost of obtaining research and development services at arm's length from a third-party provider, as well as internal full-time equivalent costs to support these services. The Company developed the standalone selling price for committee participation by using management's estimate of the anticipated participation hours multiplied by a market rate for comparable participants.

The transaction price at inception is comprised of fixed consideration of $30.0 million in upfront fees and variable consideration of $4.9 million of estimated research and development services to be reimbursed as research and development occurs through the research term. The $30.0 million upfront fee, which represents the fixed consideration in the transaction price, was allocated to each of the performance obligations based on the relative proportion of their standalone selling prices. The $4.9 million in variable consideration related to the research and development services is allocated specifically to the three target program performance obligations based upon the budgeted services for each program.

The amounts allocated to the performance obligations for the three research programs will be recognized on a proportional performance basis through the completion of each respective estimated research term of the individual research programs. The amounts allocated to the material right for the antibody target swap option will be recognized either at the time the material right expires or, if exercised, on a proportional performance basis over the estimated research term for that program. The amounts allocated to the participation on each of the committees will be recognized on a straight-line basis over the anticipated research term for all research programs. As of March 31, 2021, there was $22.8 million of aggregate transaction price allocated to remaining performance obligations.

In June 2020, Seagen and the Company entered into amendments to the Seagen Agreements, or together, the Amendment. The Amendment extended the deadline for Seagen to nominate a second and third antibody target. As a result of the Amendment, which completed the obligations under the research term for the first antibody target, the Company recorded as revenue $4.2 million, which was previously recorded as deferred revenue, for the year ended December 31, 2020. The Company also recorded $5.0 million of milestone revenue due from Seagen during the quarter ended June 30, 2020, as it was no longer deemed probable that a significant reversal of revenue would occur, and the remaining performance obligations on first antibody target were completed.

On March 24, 2021, the Company announced that Seagen made a strategic equity investment in Pieris, and that the companies had entered into a combination study agreement, or the Combination Study Agreement, to evaluate the safety and efficacy of combining Pieris' cinrebafusp alfa with Seagen's tucatinib, a small-molecule tyrosine kinase HER2 inhibitor, for the treatment of gastric cancer patients expressing lower HER2 levels (IHC2+/ISH- & IHC1+) as part of the upcoming phase 2 study to be conducted by Pieris. The companies have also entered into an Amended and Restated License and Collaboration Agreement, or the Second Seagen Amendment, in which their existing IO collaboration agreement has been amended relating to joint development and commercial rights for the second program in the alliance. In connection with the agreements described above, the Company and Seagen also entered into a subscription agreement, or the Seagen Subscription Agreement.

Under the Second Seagen Amendment, Pieris' option to co-develop and co-commercialize the second ofthree programs in the collaboration has been converted to a co-promotion option in the United States, with Seagen solely responsible for the development and overall commercialization of that program. Pieris will also be entitled to increased royalties from that program in the event that it chooses to exercise the co-promotion option. In connection with the Seagen Subscription Agreement, the Company agreed to issue to Seagen, and Seagen agreed to acquire from the Company, 3,706,174 shares of the Company's common stock for a total purchase price of $13.0 million, or $3.51 per share, in a private placement transaction pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended. The Seagen Subscription Agreement includes a provision to the effect that Seagen may ask the Company to file a registration statement to register the resale of the shares issued to Seagen, at any time beginning on the date that is 60 calendar days from the date of issuance of the shares. The Company assessed the ASC 606 implications of the Seagen Subscription Agreement and concluded that the fair value of the shares on a per share basis was $2.61 per share as of the transaction date. This resulted in a premium paid for the shares of $9.3 million, all of which was recorded in deferred revenue upon contract execution and allocated to the remaining performance obligations.

The Company has concluded that the Combination Study Agreement is within the scope of ASC 808, which defines collaborative arrangements and addresses the presentation of the transactions between the two parties in the income statement and related disclosures. However, ASC 808 does not provide guidance on the recognition of consideration exchanged or

accounting for the obligations that may arise between the parties. The Company has concluded that ASC 730, *Research and Development*, should be applied by analogy. There is no financial statement impact for the Combination Study Agreement as the value of the drug supply received from Seagen is offset against the drug supply cost.

Under the Seagen Agreements, the Company is eligible to receive other various research, development, commercial and sales milestones. There is uncertainty that the events to obtain the research and development milestones will be achieved given the nature of clinical development and the stage of the Company's technology. With the exception of the previously discussed achieved milestone, the Company has determined that all other research and development milestones will be constrained until it is deemed probable that a significant revenue reversal will not occur.

As of March 31, 2021, there were $10.2 million and $9.4 million of current and non-current deferred revenue, respectively, related to the Seagen Agreements.

AstraZeneca

On May 2, 2017, the Company entered into a license and collaboration agreement, or the AstraZeneca Collaboration Agreement, and a non-exclusive Anticalin platform technology license agreement, or AstraZeneca Platform License, and together with the AstraZeneca Collaboration Agreement, the AstraZeneca Agreements, with AstraZeneca, which became effective on June 10, 2017, following expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976. Under the AstraZeneca Agreements, the parties will advance several novel inhaled Anticalin proteins.

In addition to the Company's lead inhaled drug candidate, PRS-060/AZD1402, or the AstraZeneca Lead Product, the Company and AstraZeneca will also collaborate to progress four additional novel Anticalin proteins against undisclosed targets for respiratory diseases, or the AstraZeneca Collaboration Products, and together with the AstraZeneca Lead Product, the AstraZeneca Products. The Company is responsible for advancing the AstraZeneca Lead Product through its phase 1 study, with the associated costs funded by AstraZeneca. The parties will collaborate thereafter to conduct a phase 2a study in asthma patients, with AstraZeneca continuing to fund development costs. After completion of a phase 2a study, Pieris has the option to co-develop the AstraZeneca Lead Product and also has a separate option to co-commercialize the AstraZeneca Lead Product in the United States. For the AstraZeneca Collaboration Products, the Company will be responsible for the initial discovery of the novel Anticalin proteins, after which AstraZeneca will take the lead on continued development of the AstraZeneca Collaboration Products. The Company has the option to co-develop two of the four AstraZeneca Collaboration Products beginning at a pre-defined preclinical stage and would also have the option to co-commercialize these two programs in the United States, while AstraZeneca will be responsible for development and commercialization of the other programs worldwide.

The term of each of the AstraZeneca Agreements ends upon the expiration of all of AstraZeneca's payment obligations under such agreement. The AstraZeneca Collaboration Agreement may be terminated by AstraZeneca in its entirety for convenience beginning 12 months after its effective date upon 90 days' notice or, if the Company has obtained marketing approval for the marketing and sale of a product, upon 180 days' notice. Each program may be terminated at AstraZeneca's option; if any program is terminated by AstraZeneca, the Company will have full rights to such program. The AstraZeneca Collaboration Agreement may also be terminated by AstraZeneca or the Company for material breach upon 180 days' notice of a material breach (or 30 days with respect to payment breach), provided that the applicable party has not cured such breach by the permitted cure period (including an additional 180 days if the breach is not susceptible to cure during the initial 180-day period) and dispute resolution procedures specified in the agreement have been followed. The AstraZeneca Collaboration Agreement may also be terminated due to the other party's insolvency and may in certain instances be terminated on a product-by-product and/or country-by-country basis. Each party may also terminate an AstraZeneca Agreement if the other party challenges the validity of patents related to certain intellectual property licensed under such AstraZeneca Agreement, subject to certain exceptions for infringement suits, acquisitions and newly-acquired licenses. The AstraZeneca Platform License will terminate upon termination of the AstraZeneca Collaboration Agreement, on a product-by-product and/or country-by-country basis.

At inception, AstraZeneca is granted the following licenses: (i) research and development license for the AstraZeneca Lead Product, (ii) commercial license for the AstraZeneca Lead Product, (iii) individual research licenses for each of the four AstraZeneca Collaboration Products, (iv) individual commercial licenses for each of the four AstraZeneca Collaboration Products, and (v) individual non-exclusive platform technology licenses for the AstraZeneca Lead Product and the four AstraZeneca Collaboration Products. AstraZeneca will be granted individual development licenses for each of the four AstraZeneca Collaboration Products upon completion of the initial discovery of Anticalin proteins.

The collaboration will be managed on an overall basis by a Joint Steering Committee, or JSC, formed by an equal number of representatives from the Company and AstraZeneca. In addition to the JSC, the AstraZeneca Collaboration Agreement also requires each party to designate an alliance manager to facilitate communication and coordination of the parties' activities under

the agreement, and further requires participation of both parties on a joint development committee, or JDC, and a commercialization committee. The responsibilities of these committees vary, depending on the stage of development and commercialization of each product.

Under the AstraZeneca Agreements, the Company received an upfront, non-refundable payment of $45.0 million. In addition, the Company will receive payments to conduct a phase 1 clinical study for the AstraZeneca Lead Product. The Company is also eligible to receive research, development, commercial, sales milestone payments and royalty payments. The Company may receive tiered royalties on sales of potential products commercialized by AstraZeneca and for co-developed products, gross margin share on worldwide sales equal to the Company's level of committed investment.

The Company determined that the AstraZeneca Agreements should be combined and evaluated as a single arrangement under ASC 606 as they were executed on the same date. The arrangement with AstraZeneca, including the impact of any modifications, provides for the transfer of the following goods and services: (i) five non-exclusive platform technology licenses, (ii) research and development license for the AstraZeneca Lead Product, (iii) commercial license for the AstraZeneca Lead Product, (iv) development and manufacturing services for the AstraZeneca Lead Product (or the phase 1 services), (v) technology transfer services for the AstraZeneca Lead Product, (vi) research services related to the AstraZeneca Lead Product, (vii) participation on each of the committees, (viii) four research licenses for the AstraZeneca Collaboration Products, (ix) four commercial licenses for the AstraZeneca Collaboration Products, (x) research services for the AstraZeneca Collaboration Products and (xi) certain phase 2a services for the AstraZeneca Lead Product. Additionally, as the development licenses on the four AstraZeneca Collaboration Products may be granted at a discount in the future, the Company determined such discounts should be assessed as material rights at inception.

Management evaluated all of the promised goods or services within the contract and determined which such goods and services were separate performance obligations. The Company determined that the licenses granted for the AstraZeneca Lead Product at the inception of the arrangement should be combined with the research services related to the AstraZeneca Lead Product and that the licenses granted for the AstraZeneca Collaboration Products should be combined with the research services for the AstraZeneca Collaboration Products, as the licenses are not capable of being distinct. A third party would not be able to provide the research and development services, due to the specific nature of the intellectual property and knowledge required to perform the services, and AstraZeneca could not benefit from the licenses without the corresponding services. The Company also determined that each of the phase 1 services and the phase 2a services for the AstraZeneca Lead Product were distinct and that the participation on the various committees was also distinct, as all of the phase 1 services, phase 2a services and the committee services could be performed by an outside party. The Company determined that the commercial licenses for the AstraZeneca Collaboration Products granted at the inception of the arrangement should be combined with the development licenses for the AstraZeneca Collaboration Products as the company would not benefit from the commercial license without the ability to develop each product.

As a result, management concluded that there were16 performance obligations: (i) combined performance obligation comprised of a non-exclusive platform technology license, research and development license, and commercial licenses for the AstraZeneca Lead Product and research services for the AstraZeneca Lead Product, (ii) combined performance obligation comprised of development and manufacturing services, and technology transfer services for the AstraZeneca Lead Product, (iii) committee participation, (iv-vii) four combined performance obligations each comprised of a non-exclusive platform technology license, research licenses, and research services for each AstraZeneca Collaboration Product, (viii-xi) four performance obligations comprised of a material right to acquire the development licenses granted for the AstraZeneca Collaboration Products, (xii-xv) four performance obligations comprised of the commercial licenses granted for the AstraZeneca Collaboration Products and (xvi) phase 2a services.

The Company allocated consideration to the performance obligations based on the relative proportion of their standalone selling prices. The Company developed standalone selling prices for licenses and corresponding research services by applying a risk adjusted, net present value, estimate of future potential cash flow approach, which included the cost of obtaining research services at arm's length from a third-party provider, as well as internal full-time equivalent costs to support these services. The Company developed its standalone selling price for development and manufacturing services and technology transfer services for the AstraZeneca Lead Product using estimated internal and external costs to be incurred.

The Company developed its standalone selling price for committee participation by using management's estimate of the anticipated participation hours multiplied by a market rate for comparable participants.

The Company developed its standalone selling price for the commercial licenses and material rights granted on the development licenses by probability weighting multiple cash flow scenarios using the income approach.

The transaction price was comprised of fixed consideration of $45.0 million in upfront fees and variable consideration of (i) $14.2 million in estimated phase 1 services, (ii) $12.5 million in milestone payments achieved upon the initiation of a phase 1 study in December 2017, and (iii) $4.7 million in estimated phase 2a services. The $45.0 million upfront fee, which represents the fixed consideration in the transaction price, was allocated to each of the performance obligations based on the relative proportion of their standalone selling prices. Variable consideration of $14.2 million is related to the phase 1 services and will be allocated entirely to the performance obligation to which they relate. Variable consideration of $12.5 million related to the phase 1 trial milestone was allocated by relative selling price to the combined performance obligation comprised of a non-exclusive platform technology license, research and development license and commercial licenses for the AstraZeneca Lead Product and research services for the AstraZeneca Lead Product, and the combined performance obligation comprised of development and manufacturing services and technology transfer services for the AstraZeneca Lead Product performance obligations. Variable consideration of $4.7 million for phase 2a services was allocated specifically to the related performance obligation.

The amounts allocated to the license performance obligation for the AstraZeneca Lead Product and the four performance obligations for the four research licenses for AstraZeneca Collaboration Products will be recognized on a proportional performance basis as the activities are conducted over the life of the arrangement. The amounts allocated to the performance obligation for phase 1 services, technology transfer services for the AstraZeneca Lead Product will be recognized on a proportional performance basis over the estimated term of development through phase 2a study. The amounts allocated to the performance obligation for phase 2a services for the AstraZeneca Lead Product will be recognized on a proportionate performance basis over an estimated term of 12 months. The amounts allocated to the performance obligation for participation on each of the committees will be recognized on a straight-line basis over the expected term of development of the AstraZeneca Lead Product and the AstraZeneca Collaboration Products. The term of performance is approximately five years. The amounts allocated to the four performance obligations for the material rights to acquire a development license and the four performance obligations for commercial licenses for the AstraZeneca Collaboration Products will be recognized upon exercise of the specific material right and delivery of each of the development licenses. As of March 31, 2021, there was $23.8 million of aggregate transaction price allocated to remaining performance obligations.

Additionally, the Company evaluated payments required to be made between both parties as a result of the shared development costs of the AstraZeneca Lead Product and the two AstraZeneca Collaboration Products for which the Company has a co-development option. The Company will classify payments made as a reduction of revenue and will classify payments received as revenue in the period they are earned.

Under the AstraZeneca Agreements, the Company is eligible to receive various research, development, commercial and sales milestones. There is uncertainty that the events to obtain the research and development milestones will be achieved given the nature of clinical development and the stage of the Company's technology. The Company has thus determined that all research and development milestones, other than the phase 1 initiation milestone achieved in December 2017 and included in the impact of adoption of ASC 606, will be constrained until it is deemed probable that a significant revenue reversal will not occur.

On March 29, 2021, the Company and AstraZeneca entered into (1) Amendment No. 1 to the Non-exclusive Anticalin® Platform License Agreement dated May 2, 2017 and (2) Amendment No. 2 to the License and Collaboration Agreement dated May 2, 2017, as previously amended by Amendment No. 1 dated September 14, 2020, collectively, the Amended Collaboration Agreement. Under the Amended Collaboration Agreement, the parties agreed to restructure certain commercial economics for the AZD1402/PRS-060 program by increasing potential sales milestones and reducing potential sales royalties, while fundamentally maintaining the overall value split between AstraZeneca and the Company.

In connection with the Amended Collaboration Agreement, the Company and AstraZeneca entered into a Subscription Agreement pursuant to which the Company agreed to issue to AstraZeneca, and AstraZeneca agreed to acquire from the Company, 3,584,230 shares of the Company's common stock for a total purchase price of $10.0 million, or $2.79 per share, in a private placement transaction pursuant to Section 4(a)(2) of the Securities Act. The Subscription Agreement closed on April 1, 2021 and includes a requirement that the Company file a registration statement to register the resale of the shares issued to AstraZeneca within 60 calendar days of the issuance of the shares. The Company assessed the payment under ASC 606 and concluded that the fair value of the shares on a per share basis was $2.60 per share as of the transaction date. This resulted in a premium paid for the shares of $0.7 million, of which $0.1 million was recognized as revenue as of March 31, 2021.

Also in March 2021, the Company earned a $13.0 million milestone from AstraZeneca related to the initiation of the phase 2a study for PRS-060/AZD1402. The Company assessed the milestone payment under ASC 606 and determined that there no longer existed a constraint on the milestone as the performance obligation related to the phase 2a study was fully satisfied. Therefore, the Company realized the full $13.0 million as milestone revenue for the three months ended March 31, 2021.

As of March 31, 2021, there were $0.9 million and $18.1 million of current and non-current deferred revenue, respectively, related to the AstraZeneca Agreements.

The Company incurred $1.6 million of third-party success fees to obtain the contract with AstraZeneca. Upon adoption of ASC 606, the Company capitalized $1.1 million in accordance with ASC 340. As of March 31, 2021, the remaining balance of the asset recognized from transaction costs to obtain the AstraZeneca contract was $ 0.7 million. Amortization during the three months ended March 31, 2021 and 2020 was de minimis.

Servier

On January 4, 2017, the Company entered into a license and collaboration agreement, or Servier Collaboration Agreement, and a non-exclusive Anticalin platform license agreement, or Servier Platform License, and together with the Servier Collaboration Agreement, the Servier Agreements, with Les Laboratoires Servier and Institut de Recherches Internationales Servier, or Servier, pursuant to which the Company and Servier agreed to initially pursue five bispecific therapeutic programs.

Five committed programs were initially defined, which may combine antibodies from the Servier portfolio withone or more Anticalin proteins based on the Company's proprietary platform to generate innovative IO bispecific drug candidates, or the Collaboration Products. The collaboration may be expanded by up to three additional therapeutic programs. The Company had the option to co-develop and retain commercial rights in the United States for PRS-332, the initial lead program under the collaboration, or the Initial Lead, and has a similar option on up to three additional programs, or the Co-Development Collaboration Products, while Servier will be responsible for development and commercialization of the other programs worldwide, or the Servier Worldwide Collaboration Products. Each party is responsible for an agreed upon percentage of shared costs, as set forth in the budget for the collaboration plan, and as further discussed below.

The Co-Development Collaboration Products may be jointly developed, according to a collaboration plan, through marketing approval from the U.S. Food and Drug Administration or the European Medicines Agency. Servier Worldwide Collaboration Products may be jointly developed, according to a collaboration plan, through specified preclinical activities, at which point Servier becomes responsible for further development of the Collaboration Product.

At inception, Servier was granted the following licenses: (i) development license for the Initial Lead, (ii) commercial license for the Initial Lead, (iii) individual research licenses for each of the four Collaboration Products, and (iv) individual non-exclusive platform technology licenses for the Initial Lead and for each of thefour Collaboration Products. Upon achievement of certain development activities, specified by the collaboration for each Servier Agreement, Servier will be granted a development license and a commercial license. For the Initial Lead and the Co-Development Collaboration Products, the licenses granted are with respect to the entire world except for the United States. For Servier Worldwide Collaboration Products, the licenses granted are with respect to the entire world.

The Servier Agreements are managed on an overall basis by a joint executive committee, or JEC, formed by an equal number of members from the Company and Servier. Decisions by the JEC will be made by consensus; however, in the event of a disagreement, each party will have final-decision making authority as it relates to the applicable territory in which such party has commercialization rights for the applicable product. In addition to the JEC, the Servier Collaboration Agreement requires the participation of both parties on: (i) a JSC, (ii) a JDC, (iii) a joint intellectual property committee, or JIPC, and (iv) a joint research committee, or JRC. The responsibilities of these committees vary, depending on the stage of development and commercialization of the Collaboration Products.

For the Initial Lead and Co-Development Collaboration Products, the Company and Servier are responsible for an agreed upon percent of the shared costs required to develop the products through commercialization. In the event that the Company fails to exercise its option to co-develop the Co-Development Collaboration Products, Servier has the right to continue with the development and will be responsible for all costs required to develop the products through commercialization.

Under the Servier Agreements, the Company received an upfront, non-refundable payment of €30.0 million (approximately $32.0 million). In addition, the Company is eligible to receive research, development, commercial and sales milestone payments as well as tiered royalties up to low double digits on the sales of commercialized products in the Servier territories. The Company achieved two preclinical milestones under the program, one in December 2018 for €0.5 million (approximately $0.6 million) and another in February 2019 for €1.5 million (approximately $1.7 million), both of which became billable on their respective achievement dates.

The initial research collaboration term, as it relates to the Initial Lead and Collaboration Products, shall continue forthree years from the effective date of the Servier agreements and may be mutually extended for two one-year terms consecutively applied.

The term of each Servier Agreement ends upon the expiration of all of Servier's payment obligations under such Servier Agreement. The Servier Agreements may be terminated by Servier for convenience beginning 12 months after their effective date upon 180 days' notice. The Servier Agreements may also be terminated by Servier or the Company for material breach upon 90 days' or 120 days' notice under the Servier Collaboration Agreement and the Servier Platform License, respectively, provided that the applicable party has not cured such breach by the applicable 90-day or 120-day permitted cure period, and dispute resolution procedures specified in the applicable Servier Agreement have been followed. The Servier Agreements may also be terminated due to the other party's insolvency or for a safety issue and may in certain instances be terminated on a product-by-product and/or country-by-country basis. The Servier Platform License will terminate upon termination of the Servier Collaboration Agreement, on a product-by-product and/or country-by-country basis.

As the Company and Servier are considered to be active participants in the Servier Agreements and are exposed to significant risks and rewards, certain units of account within the Servier Agreements are within the scope of ASC 808. The arrangement with Servier provides for the transfer of the following goods and services: (i) five non-exclusive platform technology licenses, a development license, a commercial license and research and development services for the Initial Lead, (ii) participation on each of the committees, (iii) four research licenses for Collaboration Products, and (iv) research and development services for the Collaboration Products. Additionally, as the development and commercial licenses on the four Collaboration Products may be granted at a discount in the future, the Company determined such discounts should be assessed as material rights at inception.

Management evaluated all of the promised goods or services within the contract and determined which goods and services
were separate performance obligations. The Company determined that the licenses granted, at the inception of the Servier collaboration, should be combined with the research and development services to be provided for the Initial Lead and Collaboration Products, over the term of the Servier Agreements, as such licenses are not capable of being distinct. A third party would not be able to provide the research and development services, due to the specific nature of the intellectual property and knowledge required to perform the services, and Servier could not benefit from the licenses without the corresponding services. The Company determined that the participation on the various committees was distinct as the services could be performed by an outside party.

As a result, management concluded that there were10 performance obligations at the inception of the Servier Agreements. The following performance obligations are within the scope of ASC 808: (i) combined performance obligation comprised of a non-exclusive platform technology license, commercial license, development license and research and development services for the Initial Lead, (ii) two separate performance obligations each comprised of a combined non-exclusive platform technology license, research license and research and development services for each Co-Development Collaboration Product, (iii) one performance obligation comprised of participation in the various governance committees, and (iv) two combined performance obligations comprised of the development and commercial licenses granted for the Co-Development Collaboration Products (and corresponding discounts) upon the achievement of specified preclinical activities, resulting in material rights. Revenue recognized associated with these performance obligations are presented as Collaboration Revenue within the Statement of Operations. The following performance obligations are within the scope of ASC 606: (i) two separate performance obligations each comprised of a combined non-exclusive platform technology license, research license and research and development services for each Servier Worldwide Collaboration Product, and (ii) two combined performance obligations comprised of the development and commercial licenses granted for the Servier Worldwide Collaboration Products (and corresponding discounts) upon the achievement of specified preclinical activities, resulting in material rights. Revenue recognized associated with these performance obligations are presented as Customer Revenue within the Statement of Operations.

The Company allocated consideration to the performance obligations based on the relative proportion of their standalone selling prices. The Company developed its standalone selling prices for licenses by applying a risk adjusted, net present value, estimate of future potential cash flows approach, which included the cost of obtaining research and development services at arm's length from a third-party provider, as well as internal full-time equivalent costs to support these services.

The Company developed its estimate of standalone selling price for committee participation by using management's estimate of the anticipated participation hours multiplied by a market rate for comparable participants.

The Company developed its estimate of standalone selling price for the material rights granted on the development and commercial licenses granted for the Collaboration Products by probability weighting multiple cash flow scenarios using the income approach.

The transaction price at inception is comprised of the fixed upfront fee of €30.0 million (approximately $32.0 million) and was allocated to the performance obligations based on the relative proportion of their standalone selling prices.

The amounts allocated to the performance obligation for the Initial Lead and the four performance obligations for the four research and development licenses for Collaboration Products will be recognized on a proportional performance basis as the activities are conducted over the life of the arrangement. The term of the performance at inception of the Servier Agreements for the Initial Lead and each of the Co-Development Collaboration Products may be through approval of certain regulatory bodies; a period which could be many years. The term of the performance for each of the other two Servier Worldwide Collaboration Products is through the initial research and collaboration term, plus potential extensions. The amounts allocated to the performance obligation for participation on each of the committees will be recognized on a straight-line basis over the anticipated performance period over the entirety of the arrangement with Servier. The amounts allocated to the four performance obligations for the material rights to acquire development and commercial licenses for the Co-Development Collaboration Products are granted in the future will be recognized over time upon delivery of each of the licenses through marketing approval. The amounts allocated to the four performance obligations for the material rights to acquire development and commercial licenses for the Servier Developed Collaboration Products are granted in the future will be recognized upon delivery of each of the licenses. As of March 31, 2021, there was $10.9 million of aggregate transaction price allocated to remaining performance obligations.

Additionally, the Company evaluated payments required to be made between both parties as a result of the shared development costs of the Initial Lead and Collaboration Products. The Company will classify payments made as a reduction of revenue and will classify payments received as revenue, in the period they are earned.

Under the Servier Agreements, the Company is eligible to receive various research, development, commercial and sales milestones. There is uncertainty that the events to obtain the research and development milestones will be achieved given the nature of clinical development and the stage of the Company's technology. The Company has thus determined that all research and development milestones will be constrained until it is deemed probable that a significant revenue reversal will not occur.

In September 2019, Servier notified the Company of its decision to discontinue co-development of PRS-332, a PD-1-LAG-3 bispecific that served as the initial development program under the Pieris-Servier alliance, for strategic reasons. The Company does not presently intend to continue development of PRS-332 but retains full rights to advance the development and commercialization of the product on a world-wide basis in the future.

In February 2020, the research term was extended for another 12 months. The Company has updated the transaction price for the extension for revenue recognition purposes and allocated it ratably over all unsatisfied performance obligations. In March 2020, Servier notified the Company of its decision to discontinue co-development of two earlier preclinical stage programs for strategic reasons based upon an extensive portfolio review. The notification required a 60-day period to complete remaining obligations on the programs; however, the Company determined that the material rights to acquire development and commercial licenses for one Co-Development Collaboration Product and for one Servier Developed Collaboration Products lapsed in March 2020 and recognized as revenue $7.1 million of previously deferred revenue associated with these material rights during the three-month period ended March 31, 2020. The parties continue to advance the development of two preclinical programs: PRS-344, a 4-1BB/PD-L1 bispecific designed as a co-development program, and PRS-352, which addresses undisclosed targets and for which Servier has worldwide rights.

In February 2021, the research term was extended for another 12 months.

As of March 31, 2021, there were $6.1 million and $4.8 million of current and non-current deferred revenue, respectively, related to the Servier Agreements.

The Company incurred costs to obtain the contract with Servier. Upon adoption of ASC 606, the Company capitalized $0.5 million of third-party service fees in accordance with ASC 340. As of March 31, 2021, the remaining balance of the asset recognized from costs to obtain the Servier contract was $0.1 million. Amortization during the three months ended March 31, 2021 was de minimis. Amortization during the three months ended March 31, 2020 was $0.1 million.

Contract Balances

The Company receives payments from its collaboration partners based on payments established in each contract. Upfront payments and fees are recorded as deferred revenue upon receipt or when due until such time as the Company satisfies its performance obligations under each arrangement. A contract asset is a conditional right to consideration in exchange for goods or services that the Company has transferred to a customer. Amounts are recorded as accounts receivable when the Company's right is unconditional.

Additions to deferred revenue were $4.0 million during the three months ended March 31, 2021. Reductions to deferred revenue were $0.8 million for the three months ended March 31, 2021.

Boston Pharmaceuticals

On April 24, 2021, the Company and BP Asset XII, Inc. (or Boston Pharmaceuticals), a subsidiary of Boston Pharma Holdings, LLC, entered into an Exclusive Product License Agreement, the Agreement, to develop PRS-342, a 4-1BB/GPC3 preclinical immuno-oncology Anticalin-antibody bispecific fusion protein. Under the terms of the Agreement, Boston Pharmaceuticals exclusively licensed worldwide rights to PRS-342. The Company will receive an upfront payment of $10.0 million and is further entitled to receive up to $352.5 million in development, regulatory and sales-based milestone payments, tiered royalties up to low double-digits on sales of PRS-342 and a percentage of consideration received by Boston Pharmaceuticals in the event of a sublicense of a program licensed under the Agreement or a change of control of Boston Pharmaceuticals. Pieris will also contribute toward manufacturing activities.

The term of the Agreement ends upon the expiration of all of Boston Pharmaceuticals' payment obligations under such Agreement. The Agreement may be terminated by Boston Pharmaceuticals in its entirety for convenience beginning nine months after its effective date upon 60 days' notice or, for any program under the Agreement which has received marketing approval, upon 120 days' notice. If any program is terminated by Boston Pharmaceuticals, the Company will have full rights to continue such program. The Agreement may also be terminated by Boston Pharmaceuticals or the Company for an uncured material breach by the other party upon 180 days' notice (60 days in the case of non-payment of undisputed amounts due and payable), subject to extension for an additional 180 days in certain cases and subject, in all cases, to dispute resolution procedures. The Agreement may also be terminated due to the other party's insolvency. The Company may also terminate the Agreement if Boston Pharmaceuticals challenges the validity of any patents licensed under the Agreement, subject to certain exceptions.

4. Cash, cash equivalents and investments

As of March 31, 2021 and December 31, 2020, cash equivalents were $49.7 million and $64.0 million, respectively, and are comprised of money market accounts, all of which are Level 1 investments. The Company did not hold any Level 2 or 3 investments as of March 31, 2021 and did not have any transfers of investment between level for the three months ended March 31, 2021.

The Company did not record any realized gains or losses from the maturity of available-for-sale securities during the three months ended March 31, 2021. The Company recorded realized gains of $0.2 million from the maturity of available-for-sale securities for the three months ended March 31, 2020.

5. Property and equipment, net

Property and equipment are summarized as follows (in thousands):

	March 31, 2021	December 31, 2020
Laboratory furniture and equipment	$ 10,729	$ 11,188
Office furniture and equipment	2,030	2,120
Computer equipment	384	394
Leasehold improvements	13,542	14,159
Property and equipment, cost	26,685	27,861
Accumulated depreciation	(6,173)	(5,815)
Property and equipment, net	$ 20,512	$ 22,046

6. Accrued Expenses

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

	March 31, 2021	December 31, 2020
Accrued accounts payable	$ 3,466	$ 1,220
Research and development fees	2,066	2,001
Compensation expense	1,479	2,759
Lease liabilities	987	1,030
Accrued license obligations	799	358
Audit and tax fees	429	128
Other current liabilities	336	235
Total	$ 9,562	$ 7,731

7. Net Loss per Share

Basic net loss per share is calculated by dividing net income loss by the weighted average shares outstanding during the period, without consideration for common stock equivalents. Diluted net loss per share is calculated by adjusting weighted average shares outstanding for the dilutive effect of common stock equivalents outstanding for the period, determined using the treasury-stock and if-converted methods. For purposes of the diluted net loss per share calculation, preferred stock, stock options and warrants are considered to be common stock equivalents but have been excluded from the calculation of diluted net loss per share, as their effect would be anti-dilutive for all periods presented. Therefore, basic and diluted net loss per share were the same for all periods presented.

For the three months ended March 31, 2021 and 2020, and as calculated using the treasury stock method, approximately38.6 million and 34.9 million of weighted average shares, respectively, were excluded from the calculation of diluted weighted average shares outstanding as their effect was antidilutive.

8. Stockholders' Equity

The Company had 300,000,000 shares authorized and 59,718,989 and 56,002,815 shares of common stock issued and outstanding as of March 31, 2021 and December 31, 2020, respectively, with a par value of $0.001 per share.

The Company had 10,000,000 shares authorized and 14,429 shares of preferred stock issued and outstanding as of March 31, 2021. The Company had10,000,000 shares authorized and 14,429 shares of preferred stock issued and outstanding as of December 31, 2020. Preferred stock has a par value of $0.001 per share, and consists of the following:

- Series A Convertible, 2,907 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively.
- Series B Convertible, 5,000 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively.
- Series C Convertible, 3,522 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively.
- Series D Convertible, 3,000 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively.

2020 Employee, Director and Consultant Equity Incentive Plan

At the Annual Shareholder Meeting, held on June 23, 2020, the shareholders approved the 2020 Employee, Director and Consultant Equity Incentive Plan, or the 2020 Plan. The 2020 Plan permits the Company to issue up to 3,500,000 shares of common stock pursuant to awards granted under the 2020 Plan. Upon approval of the 2020 Plan, the 2019 Employee, Director and Consultant Equity Incentive Plan, or the 2019 Plan, was terminated; all unissued options were canceled and no additional awards will be made thereunder. All outstanding awards under the 2019 Plan will remain in effect and any awards forfeited from the outstanding awards will be allocated back into the 2020 Plan. There were approximately 1,579,678 shares remaining and available for grant under the 2019 Plan that terminated upon approval of the 2020 Plan.

Series D Preferred Stock Conversion

On March 31, 2020, the Company and certain entities affiliated with Biotechnology Value Fund, L.P., or BVF, entered into an exchange agreement pursuant to which, on April 1, 2020, BVF exchanged an aggregate of 3,000,000 shares of the Company's

common stock owned by BVF for an aggregate of3,000 shares of Series D Preferred Stock. The Company designated3,000 shares of its authorized and unissued preferred stock as Series D Preferred Stock and filed a Certificate of Designation of Series D Convertible Preferred Stock of Pieris Pharmaceuticals, Inc., or the Series D Certificate of Designation, with the Nevada Secretary of State.

Each share of Series D Preferred Stock is convertible into1,000 shares of Common Stock (subject to adjustment as provided in the Series D Certificate of Designation) at any time at the option of the holder, provided that the holder is prohibited from converting the Series D Preferred Stock into shares of Common Stock if, as a result of such conversion, the holder, together with its affiliates, would own more than 9.99% of the total number of shares of Common Stock then issued and outstanding, or the Beneficial Ownership Limitation. The holder may reset the Beneficial Ownership Limitation to a higher or lower number (not to exceed 19.99% of the total number of Common Shares issued and outstanding immediately after giving effect to a conversion) upon providing written notice to the Company. Any such notice providing for an increase to the Beneficial Ownership Limitation will be effective 61 days after delivery to the Company. In the event of the Company's liquidation, dissolution, or winding up, subject to the rights of holders of Senior Securities (defined below), holders of Series D Preferred Stock are entitled to receive a payment equal to $0.001 per share of Series D Preferred Stock before any proceeds are distributed to the holders of Common Stock and Junior Securities (defined below) and pari passu with any distributions to the holders of the Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock, plus an additional amount equal to any dividends declared but unpaid on such shares. However, if the assets of the Company are insufficient to comply with the preceding sentence, then all remaining assets of the Company shall be distributed ratably to holders of the shares of the Series D Preferred Stock and Parity Securities (defined below). Shares of Series D Preferred Stock generally have no voting rights, except as required by law and except that the consent of holders of a majority of the then outstanding Series D Preferred Stock is required to amend the terms of the Series D Certificate of Designation. Holders of Series D Preferred Stock are entitled to receive any dividends payable to holders of Common Stock, and rank:

- senior to all of the Common Stock;
- senior to any class or series of capital stock of the Company created after the designation of the Series D Preferred Stock specifically ranking by its terms junior to the Series D Preferred Stock, or the "Junior Securities;
- on parity with all shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock and any class or series of capital stock of the Company created after the designation of the Series D Preferred Stock specifically ranking by its terms on parity with the Series D Preferred Stock, or the Parity Securities; and
- junior to any class or series of capital stock of the Company created after the designation of the Series D Preferred Stock specifically ranking by its terms senior to the Series D Preferred Stock, or the Senior Securities,

in each case, as to distributions of assets upon the Company's liquidation, dissolution or winding up whether voluntarily or involuntarily and/or the right to receive dividends.

Open Market Sales Agreement

In August 2019, the Company entered into a sales agreement pursuant to which the Company may offer and sell shares of its common stock, from time to time, up to an aggregate amount of gross sales proceeds of $50.0 million through an "at the market offering" program, or the ATM Program, under a shelf registration statement on Form S-3. Through March 31, 2021, the Company has sold $10.0 million of common shares under the ATM Program.

9. Leases

The Company currently leases office space in Boston, Massachusetts. In August 2015, the Company entered into a sublease to lease approximately3,950 square feet. The sublease expires on February 27, 2022 or such earlier date pursuant to the termination provisions of the sublease.

The Company also leased approximately 19,000 square feet of office and laboratory space in Freising, Germany underfour agreements, or the Freising Leases, including three leases for space on three floors of the same building and a letter agreement for additional conference room space within the building. The Freising Leases expired on March 31, 2020.

In October 2018, Pieris GmbH entered into a new lease for office and laboratory space located in Hallbergmoos, Germany, or the Hallbergmoos Lease. Pieris GmbH moved its operations, formerly conducted in Freising, Germany, to the Hallbergmoos facility in February 2020.

Under the Hallbergmoos Lease, Pieris GmbH will rent approximately 105,000 square feet, of which approximately 98,400 square feet were delivered by the lessor in February 2020 and approximately 5,100 square feet were delivered by the lessor in

May 2020. An additional approximately 22,300 square feet is expected to be delivered by the lessor by October 2024. Pieris GmbH has a first right of refusal to lease an additional approximate 13,400 square feet.

The Hallbergmoos Lease provides for an initial rental term of 12.5 years which commenced in February 2020 when the leased property was delivered to Pieris GmbH. Pieris GmbH also has an option to extend the Hallbergmoos Lease for two additional 60-month periods. The Company is not reasonably certain to exercise the option to extend the lease expiration beyond its current expiration date. Pieris GmbH may sublease space within the leased property with lessor's consent, which may not be unreasonably withheld.

Monthly base rent for the initial 105,000 square feet of the leased property, including parking spaces, will total approximately $0.2 million per month, which amount shall be adjusted starting on the second anniversary of the commencement date by an amount equal to the German consumer price index. In addition to the base rent, Pieris GmbH is also responsible for certain administrative and operational costs in accordance with the Hallbergmoos Lease. Pieris GmbH provided a security deposit of $0.8 million as required by the Hallbergmoos Lease. The Company will serve as a guarantor for the Hallbergmoos Lease.

The Hallbergmoos Lease included $11.5 million of tenant improvements allowance for normal tenant improvements, for which construction began in March 2019. The Company capitalized the leasehold incentives which are included in Property and equipment, net on the Condensed Consolidated Balance Sheet and are amortized on a straight-line basis over the shorter of the useful life or the remaining lease term. The lease incentive allowance was also factored in as a reduction to the right-of-use asset upon the adoption of ASC 842.

The following table summarizes operating lease costs included in operating expenses (in thousands):

	Three Months Ended March 31,	
	2021	2020
Operating lease costs	$ 377	$ 404
Variable lease costs (1)	182	188
Total lease cost	$ 559	$ 592

(1) Variable lease costs include certain additional charges for operating costs, including insurance, maintenance, taxes, utilities, and other costs incurred, which are billed based on both usage and as a percentage of the Company's share of total square footage.

The following table summarizes the weighted-average remaining lease term and discount rate:

	As of March 31, 2021
Weighted-average remaining lease term (years)	11.2
Weighted-average discount rate	10.5 %

Cash paid for amounts included in the measurement of the lease liabilities was $0.7 million and $0.3 million for the three months ended March 31, 2021 and 2020.

As of March 31, 2021, the maturities of the Company's operating lease liabilities and future minimum lease payments were as follows (in thousands):

	Total
2021	$ 1,910
2022	2,349
2023	2,314
2024	2,314
2025	2,314
Thereafter	15,236
Total undiscounted lease payments	26,437
Less: present value adjustment	(26,437)
Present value of lease liabilities	$ —

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

The interim financial statements and this Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the 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 for the fiscal year ended December 31, 2020, filed with the SEC on March 31, 2021. In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to those set forth under the caption "Risk Factors" in the Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

As used in this Quarterly Report on Form 10-Q, unless the context indicates or otherwise requires, "our Company", "the Company", "Pieris", "we", "us" and "our" refer to Pieris Pharmaceuticals, Inc., a Nevada corporation, and its consolidated subsidiaries.

We have registered trademarks for Pieris, Anticalin and others. All other trademarks, trade names and service marks included in this Quarterly Report on Form 10-Q are the property of their respective owners. Use or display by us of other parties' trademarks, trade dress or products is not intended to and does not imply a relationship with, or endorsements or sponsorship of, us by the trademark or trade dress owner.

Overview

We are a clinical-stage biotechnology company that discovers and develops Anticalin-based drugs to target validated disease pathways in unique and transformative ways. Our clinical pipeline includes an inhaled IL-4Rα antagonist Anticalin protein to treat moderate-to-severe asthma and an IO bispecific targeting 4-1BB and HER2. Proprietary to us, Anticalin proteins are a novel class of therapeutics validated in the clinic and through partnerships with leading pharmaceutical companies. Our core Anticalin technology and platform were developed in Germany, and we have collaborations with major multi-national pharmaceutical companies. In particular, we have an alliance with AstraZeneca to treat respiratory diseases and partnerships with Servier and Seagen, both in IO. Our development programs include:

- *PRS-060/AZD1402*, our lead respiratory program partnered with AstraZeneca, is a drug candidate that antagonizes IL-4Rα, thereby inhibiting IL-4 and IL-13, two cytokines known to be key mediators in the inflammatory cascade that drive the pathogenesis of asthma and other inflammatory diseases.

- We continue to research and develop additional respiratory drug candidates beyond PRS-060/AZD1402, both within and outside of the AstraZeneca alliance. In addition to PRS-060/AZD1402, the AstraZeneca alliance includes four respiratory programs, the targets and disease areas of which are undisclosed. We retain co-development and co-commercialization rights to two out of the four programs beyond PRS-060/AZ1402. Our portfolio also includes several respiratory programs outside of the AstraZeneca collaboration.

- *Cinrebafusp alfa,* our lead IO program, is a fusion protein, comprising a HER2-targeting antibody genetically linked to 4-1BB-targeting Anticalin proteins. Cinrebafusp alfa is designed to drive tumor localized T cell activation through tumor-targeted drug clustering mediated by HER2 expressed on tumor cells. This program was the first bispecific T cell co-stimulatory agonist to enter clinical development.

- Additional IO drug candidates beyond cinrebafusp alfa that are multispecific Anticalin-based fusion proteins designed to engage immunomodulatory targets, comprising a variety of multifunctional biotherapeutics, including PRS-344, a bispecific antibody-Anticalin fusion protein comprising an PD-L1-targeting antibody genetically fused to Anticalin proteins specific for 4-1BB. PRS-344 is being developed as part of our IO collaboration with Servier. Other IO drug candidates are being developed as part of our collaboration with Servier and Seagen.

- We will support IND-readiness for PRS-342, a 4-1BB/GPC3 bispecific that we have exclusively licensed to Boston Pharmaceuticals, who will oversee future development of that asset.

Our programs are in varying stages:

- PRS-060/AZD1402 was tested in a nebulized formulation in 54 healthy volunteers at nominal dose levels ranging from 0.25 mg to 400 mg in a phase 1 SAD study. Data from that study were presented at the American Thoracic Society

International Conference in May 2019 showing that PRS-060/AZD1402 was well-tolerated when given as single inhaled or intravenous doses to healthy volunteers and there was systemic target engagement (as measured by pSTAT6 inhibition). We presented interim data from the PRS-060/AZD1402 phase 1 MAD study at the European Respiratory Society International Congress in October 2019 and reported that PRS-060/AZD1402 was safe and well-tolerated at all doses, led to a statistically significant reduction in FeNO, a validated biomarker for eosinophilic airway inflammation, and showed dose-dependent systemic target engagement in patients with mild asthma and elevated levels of FeNO (≥ 35ppb). In that study, during the treatment period, 30 patients were randomized to receive delivered doses of PRS-060/AZD1402 ranging from 2 mg to 60 mg (5 mg to 150 mg administered through a nebulizer (nominal dose)) twice daily for nine consecutive days and one final dose on the 10th day, and 12 patients were randomized to receive placebo at the same intervals. Statistically significant and pronounced inhibition of FeNO relative to placebo was observed at all doses. When comparing the 20 mg PRS-060/AZD1402 powered cohort (n=12) to placebo, the primary statistical analysis using the Emax model demonstrated a 36% relative reduction in FeNO (p-value <0.0001). Systemic target engagement was dose-dependent and closely aligned with systemic exposure of the drug, consistent with results of the phase 1 SAD study. No systemic target engagement and minimal systemic exposure was observed at the 2 mg dose, suggesting that local target engagement by the drug may be sufficient to reduce airway inflammation, as evidenced by FeNO reduction at that 2 mg dose level. In order to further investigate the safety and efficacy profile of PRS-060/AZD1402, the phase 1 MAD study recruited additional cohorts in 2020. The study has now completed, and we are currently planning to disclose data from these additional cohorts in 2021.

- In addition to Ukrainian regulatory approval, AstraZeneca has also recently received ethics approval and regulatory acknowledgement for the phase 2a study of PRS-060/AZD1402 in Australia. Following a COVID-19-related inventory challenge, the first patient has been dosed in Ukraine. As part of the phase 2a initiation, we earned a $13.0 million milestone payment from AstraZeneca. The phase 2a study is a two-part, multi-center, placebo-controlled clinical study of PRS-060/AZD1402 that will evaluate PRS-060/AZD1402 at up to three dose levels using a dry powder formulation administered twice daily. The first part of the study will assess the safety and pharmacokinetics of the dry powder formulation in approximately 45 moderate controlled asthmatics. The second part of the study will assess the efficacy, safety and pharmacokinetics of PRS-060/AZD1402 over four weeks in approximately 360 moderate uncontrolled asthmatics with blood eosinophil count of ≥ 150 cells/μL and FeNO ≥ 25 ppb at screening with FEV1 improvement as the primary endpoint. This study evaluating PRS-060/AZD1402, which is being developed for the treatment of moderate-to-severe asthma, is being sponsored, funded and delivered by AstraZeneca. Upon completion of that study, Pieris will have the options to co-develop and, subsequently, co-commercialize PRS-060/AZD1402 in the United States.

- Our additional respiratory programs within and outside of the AstraZeneca alliance are in the discovery stage. AstraZeneca has taken advantage of all available potential new project starts envisioned in the alliance and all four respiratory programs are ongoing. We retain co-development and co-commercialization rights to two out of the four programs beyond PRS-060/AZD1402. Outside of the AstraZeneca collaboration, Pieris continues to advance several early-stage proprietary respiratory programs.

- In January 2021, the FDA lifted the partial clinical hold of the phase 1 studies of cinrebafusp alfa. Cinrebafusp alfa was placed on partial clinical hold by the FDA in July 2020 while we conducted an additional in-use stability and compatibility study requested by the agency. Treatment of enrolled patients continued, although no new patients were enrolled pending resolution of the partial hold. We completed the in-use studies deemed necessary in connection with the partial clinical hold. As part of the completed studies that supported a robust process for administration of cinrebafusp alfa in the clinical setting, we have optimized the level of an existing excipient to enhance the stability of cinrebafusp alfa under prescribed as well as stressed conditions that could occur in preparation of the drug candidate for patient administration in the real-world clinical setting.

- We are now preparing a two-arm phase 2 study for cinrebafusp alfa in gastric cancer that will begin this summer and will set a high bar for clinical benefit, durability of response, and safety to determine further development beyond the planned initial 20 patients in each study arm. Supported by additional interim data we presented from the phase 1 monotherapy study of cinrebafusp alfa in an oral presentation session at the American Association for Cancer Research Virtual Congress, or AACR, in April 2021, the first arm of the phase 2 study will include the combination with ramucirumab and paclitaxel in HER2-high gastric cancer, while the second arm will be in combination with tucatinib in HER2-low gastric cancer. Collaboration partners Lilly and Seagen will supply ramucirumab and tucatinib, respectively.

- The supporting data presented at AACR included an evaluation of 78 patients who had been enrolled in the monotherapy study as of the February 2021 cutoff date, including four additional patients enrolled in the active dose cohorts (≥2.5 mg/kg) since the data were presented at the European Society for Medical Oncology, or ESMO, Virtual Congress in September 2020. Out of 42 response-evaluable patients at the time of the data cutoff of February 25, 2021,

accordingto RECIST 1.1, one patient with stage 4 rectal adenocarcinoma achieved a confirmed complete response at the 18 mg/kg Q2W dose (cohort 13b), four patients achieved a partial response (three at the 8 mg/kg Q2W dose (cohort 11b) and one at the 18 mg/kg Q2W dose (cohort 13b)), and stable disease was observed in 17 patients as best response out of 42 evaluable patients across the predicted active dose ranges (cohorts 9-13b), translating to an ORR of 12% and a DCR of 52%. Consistent with the MOA of cinrebafusp alfa, dose-dependent immune activation was demonstrated by showing an increase in CD8+, T cell, NK cells and cytotoxic activity in the tumor microenvironment and an increase of soluble 4-1BB in the blood, indicating target engagement of 4-1BB and activation of immune cells. Cinrebafusp alfa demonstrated durable anti-tumor activity in a heavily pre-treated patient population. Additionally, clinical benefit was observed in patients with "cold" tumors as well as those with low HER2 expression who were enrolled into the study on the basis of archived HER2-status and were later re-assessed on the basis of a pre-treatment biopsy. Cinrebafusp alfa also showed an acceptable safety profile at all doses and schedules tested in the clinical study with no dose-limiting toxicities. The totality of response data generated in cohorts 11b (8 mg/kg Q2W) and 13b support the recommended phase 2 dose of a two-cycle loading dose of 18 mg/kg (Q2W), following by an 8 mg/kg dose (Q2W) in subsequent cycles.

- The last update of the atezolizumab combination study of cinrebafusp alfa was presented at the ESMO Virtual Congress in September 2020. As of the July 2020 cutoff date, 41 patients had been enrolled and seven dose cohorts have been evaluated at a Q3W dosing schedule ranging from 0.05 mg/kg to 8 mg/kg in combination with a fixed 1200 mg dose of atezolizumab. In that trial, under RECIST 1.1, four patients achieved a confirmed partial response at active dose levels and an acceptable safety profile was observed at all doses and schedules tested in the clinical study.

- For our additional IO drug candidates, we are conducting activities relating to candidate identification, optimization and preclinical evaluation.

    - We anticipate initiating a phase 1 study for PRS-344, a 4-1BB/PD-L1 bispecific in 2021.
    - We successfully completed non-good laboratory practice, or GLP, preclinical work for PRS-352, an undisclosed bispecific, in 2020, and Servier is responsible for further development of the program.
    - We achieved a key development milestone during 2020 for one of the programs in the Seagen collaboration, a bispecific tumor-targeted costimulatory agonist, triggering a $5.0 million milestone. We also handed the program over to Seagen, who is responsible for further advancement and funding of the asset. The program is one of up to three potential programs in the Seagen alliance, and we believe the achieved milestone further validates our approach and leadership in IO bispecifics, complementing the encouraging clinical data seen with cinrebafusp alfa.
    - We will support IND-readiness for PRS-342, a 4-1BB/GPC3 bispecific that we have exclusively licensed to Boston Pharmaceuticals, who will oversee future development of the asset.

Since inception, we have devoted nearly all of our efforts and resources to our research and development activities and have incurred significant net losses. For the three months ended March 31, 2021, we reported a net loss of $4.2 million. For the three months ended March 31, 2020, we reported a net loss of $3.6 million. As of March 31, 2021, we had an accumulated deficit of $215.6 million. We expect to continue incurring substantial losses for the next several years as we continue to develop our clinical and preclinical drug candidates and programs. Our operating expenses are comprised of research and development expenses and general and administrative expenses.

We have not generated any revenues from product sales to date and we do not expect to generate revenues from product sales for the foreseeable future. Our revenues for the three months ended March 31, 2021 and 2020 were from license and collaboration agreements with our partners.

A significant portion of our operations are conducted in countries other than the United States. Since we conduct our business in U.S. dollars, our main exposure, if any, results from changes in the exchange rates between the euro and the U.S. dollar. At each period end, we remeasure assets and liabilities to the functional currency of that entity (for example, U.S. dollar payables recorded by Pieris Pharmaceuticals GmbH). Remeasurement gains and losses are recorded in the statement of operations line item "Other income (expense), net." All assets and liabilities denominated in euros are translated into U.S. dollars at the exchange rate on the balance sheet date. Revenues and expenses are translated at the weighted average rate during the period. Equity transactions are translated using historical exchange rates. All adjustments resulting from translating foreign currency financial statements into U.S. dollars are included in accumulated other comprehensive loss.

Key Financial Terms and Metrics

The following discussion summarizes the key factors our management believes are necessary for an understanding of our consolidated financial statements.

Revenues

We have not generated any revenues from product sales to date and we do not expect to generate revenues from product sales for the foreseeable future. Our revenues for the last two years have been primarily from the license and collaboration agreements with AstraZeneca, Servier and Seagen.

The revenues from AstraZeneca, Servier and Seagen have been comprised primarily of upfront payments, research and development services and milestone payments. For additional information about our revenue recognition policy, see "Note 2— Summary of Significant Accounting Policies."

Research and Development Expenses

The process of researching and developing drugs for human use is lengthy, unpredictable and subject to many risks. We expect to continue incurring substantial expenses for the next several years as we continue to develop our clinical and preclinical drug candidates and programs. We are unable, with any certainty, to estimate either the costs or the timelines in which those expenses will be incurred. Our current development plans focus on the following programs: our lead respiratory program, PRS-060/AZD1402 and our other respiratory programs, our IO programs, currently comprised of cinrebafusp alfa as well as multiple additional proprietary and partnered programs, including PRS-344. These programs consume a large proportion of our current, as well as projected, resources.

Our research and development costs include costs that are directly attributable to the creation of certain of our Anticalin drug candidates and are comprised of:

- internal recurring costs, such as personnel-related costs (salaries, employee benefits, equity compensation and other costs), materials and supplies, facilities and maintenance costs attributable to research and development functions; and

- fees paid to external parties who provide us with contract services, such as preclinical testing, manufacturing and related testing and clinical trial activities.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries, employee benefits, equity compensation and other personnel-related costs associated with executive, administrative and other support staff. Other significant general and administrative expenses include the costs associated with professional fees for accounting, auditing, insurance costs, consulting and legal services along with facility and maintenance costs attributable to general and administrative functions.

Results of Operations

Comparison of the three months ended March 31, 2021 and 2020

The following table sets forth our revenues and operating expenses (in thousands):

	Three Months Ended March 31,	
	2021	2020
Revenues	$ 15,633	$ 13,261
Research and development expenses	16,562	12,758
General and administrative expenses	4,130	4,359
Total operating expenses	20,692	17,117
Other (expense) income		
Interest income	3	319
Other (expense) income, net	884	(60)
Net loss	$ (4,172)	$ (3,597)

Revenues

The following table provides a comparison of revenues (in thousands):

	Three Months Ended March 31,		
	2021	2020	Increase/(Decrease)
Customer revenue	$ 14,866	$ 8,885	$ 5,981
Collaboration revenue	767	4,376	(3,609)
Total Revenue	$ 15,633	$ 13,261	2,372

- The $6.0 million increase in customer revenue in the three months ended March 31, 2021 compared to the three months ended March 31, 2020 relates to the phase 2a milestone ($13.0 million) recognized for PRS-060 under the AstraZeneca collaboration and higher pass through costs for Servier offset partially by revenue recognized in the prior year related to a preclinical stage product that is not being pursued under the Servier collaboration.

- The $3.6 million decrease in collaboration revenues in the three months ended March 31, 2021 compared to the three months ended March 31, 2020 relates to revenue recognized in the prior year related to a preclinical stage product that is not being pursued under the Servier collaboration, offset slightly by higher Servier cost-sharing due to higher levels of manufacturing activities in the current year.

Research and Development Expenses

The following table provides a comparison of the research and development expenses (in thousands):

	Three Months Ended March 31,		
	2021	2020	Increase/(Decrease)
Respiratory	$ 4,028	$ 2,728	$ 1,300
Immuno-oncology	5,925	3,436	2,489
Other R&D activities	6,609	6,594	15
Total	$ 16,562	$ 12,758	3,804

- The $1.3 million increase in our respiratory programs is due to higher preclinical work being performed for our proprietary respiratory programs offset partially by lower clinical costs and manufacturing costs with respect to activities for PRS-060.

- The $2.5 million increase in our IO programs period-over-period is due primarily to an increase in manufacturing costs for cinrebafusp alfa offset slightly by lower manufacturing activities for PRS-344.

- Other research and development activities expenses remained flat for the comparative periods. The period-over-period fluctuations are due to higher consulting expenses in the current year offset by lower facility costs due to the move to the new R&D facility in Hallbergmoos, Germany in the prior year.

General and Administrative Expenses

General and administrative expenses were $4.1 million for the three months ended March 31, 2021 and $4.4 million for the three months ended March 31, 2020. The period over period decrease is due primarily to higher project management costs along with higher one-time office and building equipment costs related to the move to the new R&D facility in Hallbergmoos, Germany in the prior year.

Other Income (Expense)

Our other income (expense) was $0.9 million for the three months ended March 31, 2021 and $0.3 million for the three months ended March 31, 2020. This was due to a strengthening U.S. dollar against the euro in the current quarter compared to the foreign exchange rate movement in the prior year's quarter, slightly offset by the decrease in interest income due to lower invested balance in the current year.

Liquidity and Capital Resources

We are subject to risks common to companies in the biotechnology industry, including but not limited to, the need for additional capital, risks of failure of preclinical studies and clinical trials, the need to obtain marketing approval and reimbursement for any drug product candidate that we may identify and develop, the need to successfully commercialize and gain market acceptance of our product candidates, dependence on key personnel, protection of proprietary technology, compliance with government regulations, development of technological innovations by competitors, reliance on third-party manufacturers and the ability to transition from pilot-scale production to large-scale manufacturing of products.

Through March 31, 2021, we have funded our operations primarily through private and public sales of equity, payments received under our license and collaboration agreements (including research and development services costs, upfront and milestone payments), government grants and loans.

As of March 31, 2021, we had a total of $66.8 million in cash, cash equivalents and investments. The ending cash balance as of March 31, 2021 excludes $23.0 million received from AstraZeneca in April, and $10.0 million to be received from Boston Pharmaceuticals. We have incurred losses in every period since inception including the three months ended March 31, 2021 and 2020, respectively, and have a total accumulated deficit of $215.6 million as of March 31, 2021.

We have several research and development programs underway in varying stages of development, and we expect they will continue to require increasing amounts of cash for development, conducting clinical trials and testing and manufacturing of product material. We expect cash necessary to fund operations will increase significantly over the next several years as we continue to conduct these activities necessary to pursue governmental regulatory approval of clinical-stage programs and our other product candidates.

The following table provides a summary of operating, investing and financing cash flows (in thousands):

	Three Months Ended March 31,	
	2021	2020
Net cash used in operating activities	$ (12,138)	$ (15,131)
Net cash (used in) provided by investing activities	(28)	414
Net cash provided by financing activities	9,693	—

Net cash used in operating activities for the three months ended March 31, 2021 and 2020 was $12.1 million and $15.1 million, respectively. Cash used in 2021 is impacted by higher accounts receivables (due to the $13.0 million milestone due from AZ for the start of the Phase 2a trial for PRS-060) prepaid expenses, offset partially by higher accounts payable and accrued expenses, along with an increase in deferred revenue amounts, primarily due to the Seagen and AZ modifications. This compares to the impact of lower prepaid expenses, accounts payable, accrued expenses and a reduction of deferred revenue for the three-month period ended March 31, 2020.

The change in net cash used in investing activities for the three months ended March 31, 2021 compared to net cash provided by investing activities for the same period in 2020 is mainly attributable to a significantly lower amount of purchases of property and equipment, as the purchases in prior year period primarily related to our move to a new R&D facility. Additionally, investing activities for the three months ended March 31, 2020 included the impact of net investments changes (lower purchases and increased maturities resulting in an overall decrease in investments) for which there is no activity in comparable current year period.

Financing activities for the three months ended March 31, 2021 provided cash of $9.7 million. There were no financing activities for the three months ended March 31, 2020. The change is primarily driven by the amendment to our strategic collaboration agreement with Seagen, which resulted in their purchase of $13.0 million of our common stock (see Note 3).

In August 2019, we entered into a sales agreement pursuant to which we may offer and sell shares of our common stock, from time to time, up to an aggregate gross sales proceeds of $50.0 million through our ATM Program, under a shelf registration statement on Form S-3 (File No. 333-226725). Through March 31, 2021, we have sold $10.0 million of common shares under the ATM Program.

In March 2021, we also earned a $13.0 million milestone from AstraZeneca related to the initiation of the phase 2a study for PRS-060/AZD1402, and AstraZeneca agreed to purchase $10.0 million of our common stock (see Note 3).

Our future success is dependent on our ability to identify and develop our product candidates, expand our corporate infrastructure and, ultimately, upon our ability to attain profitable operations. We have devoted substantially all of our financial resources and efforts to research and development and general and administrative expenses to support such research and development. We have several research and development programs underway in varying stages of development, and we expect that these programs will continue to require increasing amounts of cash for development, conducting clinical trials and testing and manufacturing of product material. Cash necessary to fund operations will increase significantly over the next several years as we continue to conduct these activities necessary to pursue governmental regulatory approval of clinical-stage programs and other product candidates.

Any requirements for additional capital will depend on many factors, including the following:

- the scope, rate of progress, results and cost of our clinical studies, preclinical testing and other related activities;
- the cost of manufacturing clinical supplies, and establishing commercial supplies, of our drug candidates and any products that we may develop;
- the number and characteristics of drug candidates that we pursue;
- the cost, timing and outcomes of regulatory approvals;
- the cost and timing of establishing sales, marketing and distribution capabilities;
- the terms and timing of any collaborative, licensing and other arrangements that we may establish;
- the timing, receipt and amount of sales, profit sharing or royalties, if any, from our potential products;
- the cost of preparing, filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights;
- the extent to which we acquire or invest in businesses, products or technologies, although we currently have no commitments or agreements relating to any of these types of transactions; and
- the effects of the COVID-19 pandemic and the cost and timing of actions taken to contain it.

In addition, any unfavorable development or delay in the progress of our core clinical-stage programs including cinrebafusp alfa and PRS-060/AZD1402 could have a material adverse impact on our ability to raise additional capital.

We plan to raise additional capital to fulfill our operating and capital requirements through public or private equity financings, utilization of our current ATM Program, strategic collaborations, licensing arrangements and/or the achievement of milestones under our collaborative agreements. The funding requirements of our operating plans, however, are based on estimates that are subject to risks and uncertainties and may change as a result of many factors currently unknown. Although we continue to pursue these funding plans, there is no assurance that we will be successful in obtaining sufficient funding on terms acceptable to us to fund continuing operations, if at all. Until such time as we can generate substantial product revenues, if ever, we expect to finance our cash needs through a combination of equity offerings, debt financings, strategic partnerships and licensing arrangements. The terms of any future financing may adversely affect the holdings or the rights of our existing stockholders.

We believe that our currently available funds will be sufficient to fund our operations through at least the next 12 months from the issuance of this Quarterly Report on Form 10-Q. Our belief with respect to our ability to fund operations is based on estimates that are subject to risks and uncertainties. If actual results are different from our estimates, we may need to seek additional funding. If we are unable to obtain additional funding on acceptable terms when needed, we may be required to defer or limit some or all of our research, development and/or clinical projects.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, as defined under applicable SEC rules.

Critical Accounting Policies and Estimates

Refer to Part II, Item 7, “Critical Accounting Policies and Estimates” of our Annual Report on Form 10-K for the fiscal year ended on December 31, 2020 for a discussion of our critical accounting policies and estimates.

This discussion and analysis of our financial condition and results of operations is based on our financial statements, which we have prepared in accordance with U.S. GAAP. We believe that several accounting policies are important to understanding our historical and future performance. We refer to these policies as critical because these specific areas generally require us to make judgments and estimates about matters that are uncertain at the time we make the estimate, and different estimates—which also would have been reasonable—could have been used. On an ongoing basis, we evaluate our estimates and judgments, including those described in greater detail below. We base our estimates on historical experience and other market-specific or other

relevant assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We believe that our most critical accounting policies are those relating to revenue recognition, contingencies, research and development expense and income taxes, and there have not been significant changes to our accounting policies discussed in the Annual Report on Form 10-K for the fiscal year ended on December 31, 2020.

Recently Issued Accounting Pronouncements

We review new accounting standards to determine the expected financial impact, if any, that the adoption of each standard will have. For the recently issued accounting standards that we believe may have an impact on our consolidated financial statements, see "Note 2—Summary of Significant Accounting Policies" in our consolidated financial statements.

Smaller Reporting Company Status

Currently, we qualify as a smaller reporting company.

As a smaller reporting company, we are eligible for, and have taken advantage of certain exemptions from various reporting requirements that are not available to public reporting companies that do not qualify for this classification, including, but not limited to:

- An opportunity for reduced disclosure obligations regarding executive compensation in its periodic and annual reports, including without limitation exemption from the requirement to provide a compensation discussion and analysis describing compensation practices and procedures.

- An opportunity for reduced financial statement disclosure in registration statements, which must include two years of audited financial statements rather than the three years of audited financial statements that are required for other public reporting companies.

- An opportunity for reduced audit and other compliance expenses as we are not subject to the requirement to obtain an auditor's report on internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act of 2002.

- An opportunity to continue utilizing the non-accelerated filer time-line requirements, which became applicable to us at the time of filing of our annual report for the year ending December 31, 2020.

For as long as we continue to be a smaller reporting company, we expect that we will take advantage of both the reduced internal control audit requirements and the disclosure obligations available to us as a result of this classification.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, have evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and such information is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our principal executive officer and principal financial officer have concluded that, based on such evaluation, our disclosure controls and procedures were effective as of March 31, 2021.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting identified in connection with the evaluation of such internal control required by Rules 13a-15(d) and 15d-15(d) under the Exchange Act that occurred during the quarter ended March 31, 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.

As of the date of this Quarterly Report on Form 10-Q, we are not party to and our property is not subject to any material pending legal proceedings. However, from time to time, we may become involved in legal proceedings or subject to claims that arise in the ordinary course of our business activities. Regardless of the outcome, such legal proceedings or claims could have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk Factors.

Please refer to the complete Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020, filed with the SEC on March 31, 2021 for risks and uncertainties facing the Company that may have a material adverse effect on the Company's business prospects, financial condition and results of operations. There have been no material changes in the risk factors described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

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

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Number	Exhibit Description		Incorporated by Reference herein from Form or Schedule	Filing Date	SEC File / Registration Number
10.1±	Amended and Restated License and Collaboration Agreement, dated March 24, 2021, by and between Pieris Pharmaceuticals, Inc. and Seagen Inc.	*			
10.2±	Combination Study Agreement, dated March 24, 2021, by and among Pieris Pharmaceuticals, Inc. and Seagen Inc.	*			
10.3	Subscription Agreement, dated March 24, 2021, by and between Pieris Pharmaceuticals, Inc. and Seagen Inc.	*			
10.4±	Amendment No. 2, dated March 29, 2021, to the License and Collaboration Agreement, dated May 2, 2017, by and between Pieris Pharmaceuticals, Inc. and AstraZeneca AB.	*			
10.5±	Amendment No. 1, dated March 29, 2021, to the Non-Exclusive Anticalin® Platform License Agreement, dated May 2, 2017, by and between Pieris Pharmaceuticals, Inc. and AstraZeneca AB.	*			

Exhibit Number	Exhibit Description		Incorporated by Reference herein from Form or Schedule	Filing Date	SEC File / Registration Number
10.6	Subscription Agreement, dated March 29, 2021, by and between Pieris Pharmaceuticals, Inc. and AstraZeneca AB.	*			
31.1	Certification of Principal Executive Officer Pursuant to Rules 12a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	*			
31.2	Certification of Principal Financial Officer and Principal Accounting Officer Pursuant to Rules 12a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	*			
32.1	Certification of Principal Executive Officer Pursuant to 18 U.S.C Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	**			
32.2	Certification of Principal Financial Officer and Principal Accounting Officer Pursuant to 18 U.S.C Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	**			
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)				
101.SCH	Inline XBRL Taxonomy Extension Schema Document	*			
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	*			
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	*			
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	*			
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	*			
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)	*			

* Filed herewith.

** The certifications furnished in Exhibit 32.1 and Exhibit 32.2 hereto are deemed to accompany this Quarterly Report and will not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, except to the extent that the registrant specifically incorporates it by reference.

Exhibit Number	Exhibit Description	Incorporated by Reference herein from Form or Schedule	Filing Date	SEC File / Registration Number
±	Certain confidential portions of this Exhibit were omitted by means of marking such portions with brackets ("[***]") because the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.			

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned thereunto duly authorized**.**

PIERIS PHARMACEUTICALS, INC.

May 17, 2021 By: /s/ Stephen S. Yoder

Stephen S. Yoder
Chief Executive Officer and President
(Principal Executive Officer)

May 17, 2021 By: /s/ Thomas Bures

Thomas Bures
Vice President, Finance and Treasurer
(Principal Financial Officer and Principal Accounting Officer)

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit 10.1

AMENDED AND RESTATED LICENSE AND COLLABORATION AGREEMENT BY AND AMONG

PIERIS PHARMACEUTICALS, INC. AND PIERIS PHARMACEUTICALS GMBH

AND

SEAGEN INC.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

TABLE OF CONTENTS

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

This Amended and Restated License and Collaboration Agreement is entered into as of March 24, 2021 (the "Effective Date") by and among Seagen Inc. (f/k/a Seattle Genetics, Inc.), a Delaware corporation located at 21823 30th Drive SE, Bothell, WA 98021 (together with its Affiliates, "SGEN"), and Pieris Pharmaceuticals, Inc., a Nevada corporation located at 255 State Street, 9th floor, Boston, MA 02109 and Pieris Pharmaceuticals GmbH, a company organized and existing under the laws of Germany located at Zeppelinstraße 3, 85399 Hallbergmoos, Germany (collectively and together with their Affiliates, "PIRS"). SGEN and PIRS are individually referred to herein as a "Party" and collectively, as the "Parties".

RECITALS

WHEREAS, PIRS and SGEN have previously entered into (i) the February 8, 2018 License and Collaboration Agreement and (ii) the June 2, 2020 amendment ("First Amendment") thereto (collectively, the "Original Agreement");

WHEREAS, the Parties wish to amend and restate the Original Agreement in order to alter the distribution of the Parties' rights with respect to certain products as set forth herein;

WHEREAS, PIRS owns or controls certain proprietary, lipocalin-derived Anticalin® protein technology and has developed other products and technologies that can be used to Research, Develop, Manufacture, and Commercialize (each as defined below) bispecific products, and owns or controls certain patents, proprietary technology, know-how, and information relating to such products or technologies;

WHEREAS, SGEN also owns or controls certain proprietary antibody-derived protein technology and has developed other products or technologies that can be used to Research, Develop, Manufacture and Commercialize (each as defined below) pharmaceutical products and owns or controls certain patents, proprietary technology, know-how and information relating to such products or technologies; and

WHEREAS, PIRS desires to grant to SGEN, and SGEN wishes to obtain, licenses to certain of PIRS' patents and know-how in order to Research, Develop, Manufacture, and Commercialize Collaboration Products (as defined below) in accordance with this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions

The following capitalized terms or derivatives thereof (verbs, nouns, singular, plural), when used in this Agreement, shall have the following meanings:

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

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1.1. "Accelerated Arbitration" has the meaning set forth in Section 16.2.2.1.

1.2. "Accelerated Arbitration Request" has the meaning set forth in Section 16.2.2.1.

1.3. "Accounting Standards" means, as applicable, the International Financial Reporting Standards ("IFRS"), the U.S. Generally Accepted Accounting Principles ("U.S. GAAP"), and any other internationally recognized accounting standards that may be adopted by a Party.

1.4. "Acquired Competing Product" has the meaning set forth in Section 9.3.

1.5. "Acquisition Transaction" has the meaning set forth in Section 9.3.

1.6. "Acquiree" has the meaning set forth in Section 9.3.

1.7. "Acquiror" has the meaning set forth in Section 9.3.

1.8. "Additional Collaboration Product" has the meaning set forth in Section 4.3.2.

1.9. "Additional Collaboration Product Effective Date" has the meaning set forth in Section 4.3.4.3.

1.10. "Additional Collaboration Product Option" has the meaning set forth in Section 4.3.2.

1.11. "Additional Collaboration Product Option Exercise Fee" has the meaning set forth in Section 7.3.

1.12. "Additional Collaboration Product Option Exercise Notice" has the meaning set forth in Section 4.3.4.1.

1.13. "ADPIC Treaty" has the meaning set forth in Section 11.1.

1.14. "Affiliate" means with respect to a Party, any person or entity, which directly or indirectly controls, is controlled by, or is under common control with such Party. Solely as used in this definition, the term "control" means (a) the ownership, directly or indirectly, beneficially or legally, of at least fifty percent (50%) of the outstanding voting securities or capital stock (or such lesser percentage which is the maximum allowed to be owned by a person or entity in a particular jurisdiction) of such Party or other person or entity, as applicable, or such other comparable ownership interest with respect to any person or entity that is not a corporation; or (b) the power, direct or indirect, whether through ownership of voting securities or partnership or other ownership interests, by contract or otherwise of more than fifty

partnership or other ownership interests, by contract or otherwise of more than fifty

percent (50%), to direct the management and policies of a Party or such other person or entity, as applicable.

1.15. "Agreement" means this Amended and Restated License and Collaboration Agreement together with the recitals and all Exhibits, and attachments hereto, which shall form an integral part of this Agreement.

1.16. "Alliance Manager" has the meaning set forth in Section 3.8.

1.17. "Allowed Target Swap" has the meaning set forth in Section 4.1.1.4.

1.18. "Antibody" means any monoclonal or polyclonal antibody, whether multiple or single chain, recombinant or naturally occurring, whole or fragment, and any variants, derivatives or constructs thereof, including but not limited to, antigen binding portions including Fab, Fab', F(ab')2, Fv, dAb and CDR fragments, single chain antibodies (scFv), chimeric antibodies, diabodies and polypeptides (including any humanized versions thereof) that contain at least a portion of an immunoglobulin that is sufficient to selectively bind to a specific Target. For avoidance of doubt, an Antibody Building Block is an Antibody.

1.19. "Antibody Building Block" means an Antibody used in a Compound.

1.20. "Anticalin" or "Anticalin Protein" means, whether in nucleic acid or protein form, (a) any lipocalin mutein isolated from the Anticalin Libraries, or (b) any lipocalin mutein that, in each case, has been derived (either physically, intellectually or by reverse engineering, in one (1) or more steps) from any lipocalin referred to in subsection (a) of this definition, in each case, which selectively binds a specific Target. For the sake of this Section 1.20, "mutein" shall mean a protein arising as a result of a mutation or a recombinant DNA procedure.

1.21. "Anticalin Affinity Maturation" means the process of engineering for an Anticalin Protein to enhance its developability profile, such as altering binding affinity, cross-reactivity, or half-life, and specificity by introducing, e.g., one or more amino acid mutations.

1.22. "Anticalin Protein Building Block" means an Anticalin Protein used in a Compound.

1.23. "Anticalin Characterization" means the assessment of binding and functional potency and/or the evaluation of the developability profile of Anticalin Proteins and/or fusion proteins that include one or more Anticalin Proteins.

1.24. "Anticalin Expression" means the heterologous expression of an Anticalin Protein in a host cell.

1.25. "Anticalin Fusion Technology" means the process of fusing or genetically linking (including through the use of different linkers) one or more Anticalin Proteins to an immunoglobulin or fragment thereof to create bispecific fusion proteins.

1.26. "Anticalin Libraries" means any phage display library based on (a) the [***] lipocalin ([***]) or (b) the [***] lipocalin ([***]).

1.27. "Anticalin Selection" means the process of screening an Anticalin Library with a defined Target through the process of phage display, within a solution, and physically separating the Target bound to Anticalin Proteins from the solution containing non-binding Anticalin Proteins.

1.28. "Arbitration" has the meaning set forth in Section 16.2.1.

1.29. "Arbitration Request" has the meaning set forth in Section 16.2.1.

1.30. "Audited Party" has the meaning set forth in Section 8.4.1.

1.31. "Auditing Party" has the meaning set forth in Section 8.4.1.

1.32. "Authorized Recipients" has the meaning set forth in Section 11.2.

1.33. "Bankruptcy Code" has the meaning set forth in Section 15.3.3.

1.34. "Biological License Application" or "BLA" means a Biological License Application in the US as described in Section 351(a) of the US Public Health Service Act ("PHS Act").

1.35. "Biosimilar" means, with respect to a given Collaboration Product in a given country, any biological product on the market in such country that is approved (a) by the applicable Competent Authority in such country under the biosimilarity standard set forth in the US under 42 U.S.C. §§ 262(i)(2) and (k), or any similar standard under its foreign equivalent applicable Law, on a country-by-country basis where such Collaboration Product is marketed, provided that such applicable Law exists and (b) in reliance in whole or in part, on a prior Marketing Approval (or on any safety or efficacy data submitted in support of such prior Marketing Approval) of such Collaboration Product. For countries or jurisdictions where no explicit biosimilar regulations exist, "Biosimilar" includes products which have been deemed to be a Biosimilar or otherwise deemed interchangeable by a Competent

Authority in the United Sates or European Union. Any product or component

thereof (including any Collaboration Product or component thereof) licensed, marketed, sold, manufactured, or produced by or on behalf of a Party, its Affiliates or Sublicensees (to the extent such Sublicensee commercializes a Biosimilar in reliance on or access to the Data, Patents, and Know-How licensed under this Agreement) will not constitute a Biosimilar for the purpose of royalty reduction pursuant to Section 8.1.1.

1.36. "Building Block" means, individually, each Antibody and each Anticalin Protein used in a Compound. A Building Block can be either an Antibody Building Block or an Anticalin Protein Building Block.

1.37. "Building Block IP" means the PIRS Building Block IP and/or the SGEN Building Block IP, as applicable.

1.38. "Business Day" means a day that is not a Saturday, Sunday, or a day on which banking institutions in the US or Munich, Germany, are authorized by applicable Law to remain closed.

1.39. "Calendar Quarter" means each three (3) consecutive calendar months ending on each March 31, June 30, September 30, and December 31.

1.40. "Calendar Year" means the period of time commencing on January 1 and ending on the next December 31.

1.41. "CDR" means complementarity determining region based on the IMGT (ImMunoGeneTics) method.

1.42. "Change of Control" means with respect to a Party, (a) completion of a merger, reorganization, amalgamation, arrangement, share exchange, consolidation, tender or exchange offer, private purchase, business combination, recapitalization, or other transaction involving such Party as a result of which either (1) the stockholders of such Party immediately preceding such transaction hold less than fifty percent (50%) of the outstanding shares, or less than fifty percent (50%) of the outstanding voting power, respectively, of the ultimate company or entity resulting from such transaction immediately after consummation thereof (including a company or entity which as a result of such transaction owns the then-outstanding securities of such Party or all or substantially all of such Party's assets, including such Party's assets related to the Compounds, either directly or through one or more subsidiaries), or (2) any single Third Party person or group (within the meaning of the U.S. Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect, referred to as a "Group") holds fifty percent (50%) or more of the outstanding shares or voting power of the ultimate company or entity resulting from

such transaction immediately after the consummation thereof (including a company or entity which as a result of such transaction owns the then-outstanding securities of such Party or all or substantially all of such Party's assets either directly or through one or more subsidiaries); or (b) the direct or indirect acquisition (including by means of a tender offer or an exchange offer) by any Third Party person or Group of beneficial ownership (within the meaning of the U.S. Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect), or the right to acquire beneficial ownership, or formation of any Third Party Group which beneficially owns or has the right to acquire beneficial ownership, of fifty percent (50%) or more of either the outstanding voting power or the then outstanding shares of such Party, in each case on a fully-diluted basis. For the avoidance of doubt, a transaction solely to change the domicile of a Party shall not constitute a Change of Control as long as there is no change of direct or indirect shareholding.

1.43. "Claim" means any charge, complaint, action, suit, proceeding, hearing, investigation, claim, or demand, including without limitation any investigation by a Government Authority.

1.44. "Claim Notice" has the meaning set forth in Section 14.3.1.

1.45. "Clinical Studies" means research studies in humans that are (a) designed in accordance with international ethical and scientific quality standards for designing, conducting, recording, and reporting research studies involving investigational medicinal products for human use and that involve the participation of human subjects, which standards are established through applicable Laws, and (b) designed to generate clinical data and results regarding a biological molecule in support of Marketing Approval, including any translational research studies. Clinical Studies include, but are not limited to, any Phase 1 Clinical Study, Phase 2 Clinical Study, or Pivotal Clinical Study.

1.46. "CMC" means chemistry, manufacturing, and control.

1.47. "CMOs" means Third Party contract manufacturers that manufacture a Compound under GMP conditions.

1.48. "Co-Chair" has the meaning set forth in Section 3.4.1.2.

1.49. [***]

1.50. "Co-Promotion Agreement" has the meaning set forth in Section 6.2.1.

1.51. "Co-Promotion Plan" has the meaning set forth in Section 6.2.1.

1.52. "CoPro Product" means a Collaboration Product for which PIRS has exercised a PIRS CoPro Option in accordance with Section 4.4.2. For avoidance of doubt, in the event that PIRS exercises a PIRS CoPro Option, the applicable Collaboration Product shall become a CoPro Product as of the applicable PIRS CoPro Option Exercise Effective Date.

1.53. "CoPro Product Plan" has the meaning set forth in Section 6.2.1.

1.54. "CoPro Product Royalties" has the meaning set forth in Section 7.10.2.

1.55. "CoPro Territory" means the forty-eight (48) contiguous states of the US and the District of Columbia, Alaska and Hawaii.

1.56. "Collaboration Product(s)" means a Research Candidate that as of the [***] (a) is identified by the Parties under a Research Candidate Plan and (b) SGEN elects for further preclinical and clinical development, and for which SGEN pays the [***]. A bispecific Antibody-Anticalin Protein fusion molecule that comprises a portion, fragment, variant, modification or derivative of the Antibody or Anticalin Protein of a Research Candidate that otherwise meets the requirements of the foregoing sentence shall be deemed a Collaboration Product, so long as such portion, fragment, variant, modification or derivative continues to confer binding specificity for the relevant target within the applicable SGEN Antibody Target and PIRS Anticalin Target combination. A Collaboration Product may also be a CoPro Product.

1.57. "Collaboration Product Royalties" has the meaning set forth in Section 7.10.1.

1.58. "Combination Product" has the meaning set forth in Section 1.133.

1.59. "Combination Study Agreement" has the meaning set forth in Section 7.2.

1.60. "Commercialization" means any and all activities related to obtaining pricing and reimbursement approval, marketing, promoting, distributing, importing, exporting, offering for sale, having sold, selling, or conducting any other commercial exploitation activities relating to a Collaboration Product. For clarity, "Commercialize" has a correlative meaning.

1.61. "Commercially Reasonable Efforts" means, with respect to an obligation of a Party, such level of effort and expenditure of resources required to carry out such obligation in a sustained manner consistent with the efforts and resources of a typical pharmaceutical or biotechnology company of a similar size and with similar resources as SGEN or PIRS together with their respective Affiliates, as applicable,

typically devotes at the same stage of development or commercialization, as applicable, for its own internally developed pharmaceutical products in a similar area with similar market potential, at a similar stage of their product life, taking into account all relevant factors including, as applicable, stage of development, mechanism of action, efficacy and safety relative to competitive products in the marketplace, actual or anticipated labeling, the nature and extent of market exclusivity (including patent coverage and regulatory exclusivity), cost and likelihood of obtaining Marketing Approval, and actual or projected profitability. Where applicable, Commercially Reasonable Efforts will be determined on a market-by-market and Indication-by-Indication basis, and it is anticipated that the level of effort will be different for different markets and will change over time reflecting changes in the status of the applicable Compound and the markets involved.

1.62. "Committee" has the meaning set forth in Section 3.4.1.1.

1.63. "Compassionate Use" means the use of a Collaboration Product as an investigational drug (prior to Marketing Approval) in accordance with applicable Law outside of a Clinical Study to treat a patient with a serious or life-threatening disease or condition who has no comparable or satisfactory alternative treatment options.

1.64. "Compound" means any Research Candidate or Collaboration Product.

1.65. "Competent Authority" means any regulatory agency, department, bureau, commission, council, or other governmental entity of (a) any country, territory, national, federal, state, provincial, county, city, or other political subdivision government, including the FDA, or (b) any supranational body (including the EMA), in any applicable jurisdiction in the world, involved in the granting of Regulatory Approval.

1.66. "Competing Collaboration Product" means any [***] that [***] and [***] the [***] ([***] in terms of [***] and [***] the [***]) as a Collaboration Product. For the avoidance of doubt, no Collaboration Product shall be a "Competing Collaboration Product" with respect to any other Research Candidate or Collaboration Product. For the purposes of this definition [***].

1.67. "Competing Research Product" means any [***]. For the avoidance of doubt, [***]. For the purposes of this definition [***].

1.68. "Concerned Party" has the meaning set forth in Section 9.3.

1.69. "Confidential Information" means any and all Know-How and information of a confidential nature, whether financial, business, legal, technical, or non-technical, whether in oral, written, electronic or other form, including information and data related to a Compound, a Party, or any concepts, discoveries, inventions, data, designs or formulae in relation to this Agreement or the Original Agreement, that is disclosed, supplied or otherwise made available by or on behalf of one Party or any of its Affiliates or Sublicensees ("Disclosing Party") to the other Party or any of its Affiliates or Sublicensees ("Receiving Party") in connection with this Agreement or the Original Agreement, provided that Joint Know-How shall be deemed the Confidential Information of both Parties. All Confidential Information disclosed by a Party pursuant to the Mutual Confidential Disclosure Agreement between the Parties [***], including all amendments thereto (the "Prior CDA") shall be deemed to be Confidential Information of such Party pursuant to this Agreement and the Original Agreement (with the mutual understanding and agreement that any use and disclosure thereof that is authorized under, and consistent with, Section 11 and this Agreement or the Original Agreement shall not be restricted by, or be deemed a violation of, such Prior CDA).

1.70. "Control", "Controlled", or "Controlling" means, with respect to a subject item (including any Intellectual Property Right, Know-How, Regulatory Approvals, or Regulatory Materials) ("Subject Item"), the possession (whether arising by ownership, pursuant to a license or sublicense or otherwise, other than pursuant to this Agreement) by a Party of the ability of such Party or its Affiliate to grant a license, sublicense or access to the other Party with respect to such Subject Item, as provided in this Agreement, without violating the terms of any agreement with any Third Party (and subject to Section 8.1.2), in existence as of the time such Party or its Affiliates would first be required hereunder to grant the other Party such license, sublicense, or access. Notwithstanding anything to the contrary hereunder, the PIRS Platform IP and PIRS Platform Improvement IP will not be deemed to be "Controlled" by PIRS or its Affiliates for purposes of this Agreement.

1.71. "Copyrights" means all copyrights, and all right, title, and interests in all copyrights, copyright registrations, and applications for copyright registration, certificates of copyright and copyrighted rights and interests throughout the world, and all right, title, and interest in related applications and registrations throughout the world.

1.72. "Cover", "Covered" or "Covering" with reference to (a) a Patent Right, means that, in the absence of a (sub)license under, or ownership of, such Patent Right, the Research, Development, Manufacture, or Commercialization of a Compound (including the making, using, offering for sale, selling or importing thereof), with

respect to a given country, would infringe a Valid Claim of such Patent Right (or, in the case of a Valid Claim that has not yet issued, would infringe such Valid Claim if it were to issue), or (b) Know-How, means that the Research, Manufacture, Development or Commercialization of a Compound incorporates, embodies or otherwise make use of such Know-How.

1.73. "CREATE Act" has the meaning set forth in Section 10.5.

1.74. "Damages" has the meaning set forth in Section 14.1.

1.75. "Data" means any and all non-aggregated and aggregated research, pharmacology, pre-clinical, clinical, commercial, marketing, process development, manufacturing, and other data or information, including investigator brochures and reports (both preliminary and final), statistical analyses, expert opinions and reports, and safety data, in each case generated from, or related to, Clinical Studies or non-clinical studies, research or testing specifically related or directed to a Compound.

1.76. "Database Lock" means that all Clinical Study data has been received and processed, all queries have been resolved, all external data (for example, lab results) have been integrated into the main Clinical Study database, the completion of the final quality audit ensuring that all Clinical Study data is present, correspondent and accurate and that the edit access of the Clinical Study database has been removed.

1.77. "Detail" means a face-to-face meeting (including a virtual face-to-face meeting or group presentation, if in accordance with the Co-Promotion Plan), including any such meeting conducted in a hospital or physician's office with one or more physicians and other persons included in other medical professional categories identified in the applicable Co-Promotion Plan (such individuals, "Target Prescribers") (where, in the case of group presentations, each such physician or other person participating in a group presentation shall be counted as a separate Detail), who are permitted under the applicable Law of the country in which they work to prescribe the Co-Pro Product, in which such meeting key Co-Pro Product attributes are orally presented consistent with the terms of this Agreement and the Co-Promotion Agreement.

1.78. "Development" or "Develop" means, with respect to a Collaboration Product (and any companion diagnostic therefor), any and all pre-clinical, non-clinical and clinical research and development activities after [***] and before or after obtaining Marketing Approval for such Collaboration Product, and that are reasonably related to or leading to the development, preparation, and submission of data and information to a Regulatory Authority for the purpose of obtaining, supporting or

information to a Regulatory Authority for the purpose of obtaining, supporting or

expanding Marketing Approval or to the appropriate body for obtaining, supporting or expanding pricing approval, including all activities related to pharmacokinetic profiling, design and conduct of Clinical Studies, those Manufacturing related activities that support the Development of the applicable Collaboration Product (such as process development, scale up, test method development, formulation development, delivery system development, quality control development, and validation) and CMC activities, medical affairs, regulatory affairs, statistical analysis, report writing, and regulatory filing creation and submission (including the services of outside advisors and consultants in connection therewith).

1.79. "Disclosing Party" has the meaning set forth in Section 1.69.

1.80. "Diligence-Related Dispute" has the meaning set forth in Section 16.2.2.1.

1.81. "Dispute" has the meaning set forth in Section 16.2.1.

1.82. "Divest" or "Divestiture" has the meaning set forth in Section 9.3.6.1.

1.83. "DMF" means a drug master file and all equivalents, and related proprietary dossiers, in any country or jurisdiction for a Collaboration Product submitted or to be submitted by a Party to Competent Authorities.

1.84. "Dollars" or "$" means the lawful currency of the US.

1.85. "Dormant Candidate" means (i) the remaining [***] Research Candidates that have the same SGEN Building Block as a Research Candidate selected by SGEN for further Development at the [***] or (ii) a Collaboration Product deemed to be a Dormant Candidate pursuant to Section 4.3.6.

1.86. "Draft Co-Promotion Plan" has the meaning set forth in Section 6.2.1.

1.87. "Effective Date" has the meaning set forth in the preamble.

1.88. "EMA" means the European Medicines Agency or any successor agency thereto.

1.89. "EU[***] Market" means any one of [***].

1.90. "European Union" or "EU" means the member states of the European Union as of the Effective Date (including for purposes of this definition, the United Kingdom), and such other countries as may become part of the European Union after the Effective Date. For clarity, to the extent any member state of the European Union would not anymore be a member of the European Union after the Effective

Date, it shall still be included in this definition of EU for the purposes of this Agreement.

1.91. "Existing PIRS Patent Rights" has the meaning set forth in Section 13.2.1.3.

1.92. "Existing SGEN Know-How" has the meaning set forth in Section 13.3.1.2.

1.93. "Expedited Rules" has the meaning set forth in Section 16.2.2.1.

1.94. "FDA" means the US Food and Drug Administration or any successor entity thereto.

1.95. "Field" means, with respect to any Compound, any therapeutic, palliative, prophylactic and diagnostic use for any disease or condition.

1.96. "First Amendment" has the meaning set forth in the recitals.

1.97. "First Approved SGEN Antibody Target" has the meaning set forth in Section 4.1.1.2.

1.98. "First Commercial Sale" means the first sale to a Third Party of a Collaboration Product by or on behalf of either Party or its Affiliates or Sublicensees, in a country after receipt of the applicable Marketing Approval from the Competent Authorities in that country. For the avoidance of doubt, any Compassionate Use shall not be considered a First Commercial Sale.

1.99. "FTC" has the meaning set forth in Section 13.4.5.

1.100. "FTE" shall mean, with respect to an applicable Compound, a full-time equivalent person-year of work engaged in the direct performance of the applicable Research, Development, Manufacturing, or Commercialization activities for such Compound, determined using an 1,800-hour annual base. In no circumstance can the work of any given person in a given year exceed one (1) FTE. For clarity, indirect personnel (including supervisors and support functions such as legal, finance or business development) shall not constitute FTEs.

1.101. "FTE Costs" for a given period and with respect to an applicable Compound, means the product of (a) the total FTEs (proportionately, on a per-FTE basis) dedicated by a Party or its Affiliates in the particular period to the direct performance of the applicable Research, Development, Manufacturing, or Commercialization activities allocated to such Party hereunder and that are Reasonably Allocable to such Compound and (b) the FTE Rate.

1.102. "FTE Rate" means, unless otherwise agreed between the Parties, a rate per FTE equal to [***] Dollars ($[***]) per annum (which may be prorated on a daily or hourly basis (based on a 40-hour workweek) as necessary). The FTE Rate is "fully burdened" and will cover employee salaries, benefits, travel, and such facilities and equipment and other materials and services including ordinary laboratory and Manufacturing consumables (like, for example, growth media, but not larger out-of-pocket expenses that are used in GMP Manufacturing of a Compound, such as chromatography resins) procured from distributors of relevant products as they may use. Commencing upon the first (1st) anniversary of the Effective Date and upon every anniversary thereafter, the FTE Rate will be adjusted in accordance with the percentage change over the applicable annual period in the Consumer Price Index (U.S. Bureau of Labor Statistics for all urban consumers, U.S. city average, all items).

1.103. "Gatekeeper" means the Third-Party gatekeeper who will check nominated SGEN Antibody Targets against the Restricted Research Candidate Target List, in accordance with Section 4.1.1.5.

1.104. "GLP Tox Study" means, with respect to a Compound, a study conducted in a species using applicable regulatory good laboratory practices for the purposes of assessing the onset, severity, and duration of toxic effects and their dose dependency with the goal of establishing a safety profile required for a regulatory submission supporting the dosing of human subjects as outlined in appropriate ICH guidance. For the avoidance of doubt, preliminary toxicology studies are not regarded as a GLP Tox Study.

1.105. "Go/No-Go Decision Fee" means the payment amount for the Go/No-Go DP specified in Section 7.4 (i.e., [***] Dollars ($[***])).

1.106. "Go/No-Go Decision Point" or "Go/No-Go DP" means, with respect to a Research Candidate, (i) SGEN's written notice to PIRS within [***] days of the end of the Research Term with respect to such Research Candidate that it has selected that Research Candidate to become a Collaboration Product and (ii) SGEN's payment of the Go/No Go Decision Fee within [***] days of providing such notice. Notwithstanding anything to the contrary in this Agreement, the Parties have previously agreed in the First Amendment that the [***] as specified in Section 7.5 for the Research Candidate targeting [***] and the First Approved SGEN Antibody Target was deemed achieved as of [***] such that such Research Candidate has become a Collaboration Product on the date that SGEN paid the Go/No-Go Decision Fee, namely on [***].

1.107. "Government Authority" means any applicable government authority, court, tribunal, arbitrator, agency, department, legislative body, commission, or other government instrumentality of (a) any country, territory, nation, state, province, county, city, or other political subdivision thereof or (b) any supranational body, including any Competent Authority.

1.108. "Health Authority Communication" means any communication from any Competent Authority that concerns significant issues, including any of the following: key product quality attributes (e.g., purity), safety findings affecting the platform (e.g., serious adverse events, emerging safety signals), clinical or non-clinical findings affecting patient safety, or lack of efficacy.

1.109. "HSR" has the meaning set forth in Section 13.4.5.

1.110. "IND" or "IND/IMPD" means (a) an Investigational New Drug Application as defined in the FD&C Act and applicable regulations promulgated thereunder by the FDA, (b) the Investigational Medicinal Product Dossier in the European Union, or (c) the equivalent application to the applicable Competent Authority in any other regulatory jurisdiction, and any amendments to the foregoing (a), (b) or (c), in each case, the filing of which is necessary to initiate or conduct clinical testing of an investigational drug or biological product in humans in such jurisdiction.

1.111. "IND/IMPD Submission" means the filing of an IND/IMPD.

1.112. "IND Filing Party" has the meaning set forth in Section 2.6.2.

1.113. "Indemnified Party" has the meaning set forth in Section 14.3.1.

1.114. "Indemnifying Party" has the meaning set forth in Section 14.3.1.

1.115. "Indication" means a distinct type of disease or medical condition in humans to which a Collaboration Product is directed and eventually approved. To distinguish one Indication from another Indication, the two Indications [***] of the [***] is in a [***], whereas [***] the [***], or [***] a [***] used to [***] for [***] of the [***] would [***] a [***]. Notwithstanding the foregoing, [***] shall be [***] and [***] of the [***] of the [***] of the [***].

1.116. "Initial Compound Specific Know-How" means, on a Compound-by-Compound basis, all Know-How developed or generated by or on behalf of PIRS under the Research Candidate Plan (whether under this Agreement or the Original Agreement) that (a) Covers the Research, Development, Manufacture, or Commercialization of such Compound or (b) is reasonably necessary or useful for

the Research, Development, Manufacture, or Commercialization of a Compound. Initial Compound Specific Know-How excludes Know-How within the SGEN Building Block IP, PIRS Building Block IP, PIRS Platform IP, or PIRS Platform Improvement IP.

1.117. "**Initial Compound Specific Patents**" means, on a Compound-by-Compound basis, any Patent that includes or otherwise incorporates any Initial Compound Specific Know-How. For avoidance of doubt, Initial Compound Specific Patents excludes Patents within the SGEN Building Block IP, PIRS Building Block IP, PIRS Platform IP, or PIRS Platform Improvement IP.

1.118. "**Initial Quantities**" means, for each of the [***] Research Candidates that include the same SGEN Building Block, at least [***] mg of the respective protein.

1.119. "**Initiation**" or "**Initiated**" means, (i) with respect to a Clinical Study of a Collaboration Product, the first dosing of the first human subject pursuant to the protocol for such Clinical Study or (ii) with respect to a GLP Tox Study, the start date of the in-life phase of such GLP Tox Study.

1.120. "**Insolvent Party**" has the meaning set forth in Section 15.3.3.

1.121. "**Intellectual Property Rights**" means, collectively, Patent Rights, Copyrights, Trademarks, designs, domain names, moral rights and all other intellectual property and proprietary rights.

1.122. "**Joint IP**" means collectively, Joint Know-How and Joint Patents, including all Intellectual Property Rights therein.

1.123. "**Joint Intellectual Property Committee**" or "**JIPC**" has the meaning set forth in Section 3.2.

1.124. "**Joint Know-How**" means the (x) Initial Compound Specific Know-How and (y) to the extent not included in (x), Know How created, invented or generated by employees, agents, or independent contractors of (i) both Parties or their Affiliates (or a Third Party acting on any of their behalf) jointly in the course of performing activities under this Agreement or the Original Agreement, (ii) PIRS or its Affiliates (or a Third Party acting on any of their behalf) in the course of performing activities under this Agreement or the Original Agreement during the Research Term, including the activities set forth in the applicable Research Candidate Plan, or (iii) either Party or its Affiliates (or a Third Party acting on any of their behalf) in the course of performing activities under this Agreement or the Original Agreement with respect to a CoPro Product. Joint Know-How excludes in each case Know-

How within the PIRS Platform IP, PIRS Platform Improvement IP, SGEN Building Block IP or PIRS Building Block IP regardless of whether such Know-How would otherwise meet the definition of Joint Know-How hereunder.

1.125. "Joint Patents" means the (x) Initial Compound Specific Patents and (y) to the extent not included in (x), Patents that claim an invention created, invented or generated by employees, agents, or independent contractors of (i) both Parties together or their Affiliates (or a Third Party acting on any of their behalf) in the course of performing activities under this Agreement or the Original Agreement and (ii) PIRS or its Affiliates (or a Third Party acting on any of their behalf) in the course of performing activities under this Agreement or the Original Agreement during the Research Term, including the activities set forth in the applicable Research Candidate Plan. Joint Patents excludes in each case any Patents within the PIRS Platform IP, PIRS Platform Improvement IP, SGEN Building Block IP or PIRS Building Block IP regardless of whether such Patent would otherwise meet the definition of a Joint Patent hereunder.

1.126. "Joint Steering Committee" or "JSC" has the meaning set forth in Section 3.1.

1.127. "Key Data" shall consist of the following Data and information: (a) size and geography of the applicable Clinical Study, including number of sites and identification of main sites, (b) Indications and clinical settings included in such Clinical Study, including lines of therapy and key patient inclusion criteria, (c) summary of safety data from such Clinical Study, including adverse events by severity, dose level and Indication or clinical setting, (d) summary of efficacy data, including Key Endpoints by dose level and Indication or clinical setting, and (e) summary of biomarker analysis by dose level and Indication or clinical setting, including correlation of such biomarker analysis with Key Endpoints (as available at time of publication). For the purposes of this definition, "Key Endpoints" shall consist of the following endpoints: overall response rate, complete responses, partial responses if applicable, stable disease, disease control rate, minimal residual disease if applicable, progression free survival, overall survival (as available at the time of publication of Key Data), and any other efficacy endpoint that was not contemplated at the time of this Agreement but was subsequently included as a primary or secondary endpoint in such Clinical Study.

1.128. "Know-How" means any and all ideas, concepts, designs, technical information, techniques, Data, database rights, discoveries, inventions, practices, methods, procedures, processes, methods, algorithm, knowledge, skill, experience, test data and any other information or technology, whether in written, electronic, graphic or any other form, including pharmaceutical, chemical, biological and biochemical

compositions, formulations, assays, active pharmaceutical ingredients ("APIs"), molecules, samples, cell lines, journals, and laboratory notebooks.

1.129. "Law" means any applicable national, supranational, federal, state, local or foreign law, statute, ordinance, principle of common law, or any rule, regulation, standard, judgment, order, writ, injunction, decree, arbitration award, agency requirement, license or permit of any applicable Government Authority, including any rules, regulations, guidelines, directives or other requirements of applicable Government Authorities, including good clinical practices, good laboratory practices and good manufacturing practices, as well as all anti-bribery or anti-corruption laws, as applicable.

1.130. "MAA" means a Marketing Authorization Application, in relation to any Product, filed or to be filed with the EMA (or equivalent national agency), for authorization to place a medicinal product on the market in the European Union (or any other territory).

1.131. "Manufacture" means, with respect to a Compound, all activities related to the manufacture of the Compound, including, but not limited to, manufacturing supplies for Development or Commercialization, packaging, in-process and finished product testing, release of product or any component or ingredient thereof, quality assurance and quality control activities related to manufacturing and release of product, ongoing stability tests, storage, shipment, import and export as needed, improvement of production, improvement of manufacturing processes, and regulatory activities related to any of the foregoing. For clarity, "Manufacturing" has a correlative meaning.

1.132. "Marketing Approval" means all approvals, licenses, registrations or authorizations of the Competent Authorities in a country, necessary for the commercial marketing and sale of a Collaboration Product in such country, including (a) the approval of a MAA or a BLA, and (b) a determination or decision establishing prices for a Collaboration Product that can be charged or reimbursed in regulatory jurisdictions where the applicable Competent Authorities approve or determine the price or reimbursement of pharmaceutical products.

1.133. "Net Sales" means, in the case of sales by or for the benefit of SGEN, its Affiliates, and its Sublicensees (in each case, "Seller") in the Territory to a Third Party, the gross amount invoiced by Seller with respect to Collaboration Products, less the following deductions solely to the extent such deduction: (i) is reasonable and customary, (ii) is included in the gross invoiced sales price for the Collaboration Product or otherwise directly paid, allowed, accrued, or incurred by the Seller with respect to the sale of such Collaboration Product (iii) is applicable and in

respect to the sale of such Collaboration Product (iii) is applicable and in

accordance with standard allocation procedures, (iv) has not already been deducted or excluded, (v) is incurred in the ordinary course of business in type and amount consistent with good industry practice, and (vi) is determined in accordance with, and as recorded in revenues under, applicable Accounting Standards ("Permitted Deductions"):

1.133.1. trade, cash, [***] and [***] and allowances for Collaboration Products; price reductions (retroactive or otherwise) including [***] or otherwise [***];

1.133.2. any tax, tariff, duty (including custom duty) or other governmental charge (such as excise, sales or use taxes or value added tax), levied on the sale, transportation or delivery of such Collaboration Products [***] and [***] or other [***] or [***] or any [***];

1.133.3. customary freight, insurance, packing costs and other transportation charges added to the sales price that are incurred in delivering the Collaboration Product;

1.133.4. amounts repaid or credits taken by reason of rejections, defects, or returns of the Collaboration Products or because of retroactive price reductions, or due to recalls or rebates required by applicable Laws;

1.133.5. any fees for services provided by wholesalers and warehousing chains related to the distribution of such Collaboration Products and the portion of administrative fees paid during the relevant time period to group purchasing organizations, pharmaceutical benefit managers and/or Medicare Prescription Drug Plans relating specifically to such Collaboration Products [***] to the [***] that such [***] in [***] the [***]; and

1.133.6. [***] that [***] to the [***] for the [***] which as of the [***] is [***] the [***] by the [***] and the [***] is the [***];

1.133.7. [***] of a [***] with the [***] to the [***].

For the avoidance of doubt, if a single item falls into more than one of the categories set forth in Section 1.133.1 through Section 1.133.6 above, such item may not be deducted more than once.

"Net Sales" shall not include any consideration received with respect to a sale, use or other disposition of any Collaboration Product in a country for purposes of conducting Clinical

Studies in the course of Development of the Collaboration Product in accordance with this Agreement or as samples (reasonable in number), for Compassionate Use, or for other charitable, promotional, pre-clinical, clinical, regulatory or governmental purposes, in each case to the extent such Collaboration Product is sold at or below cost. Notwithstanding the foregoing, the amounts invoiced by SGEN, its Affiliates, or their Sublicensees for the sale of Collaboration Products among SGEN, its Affiliates or their respective Sublicensees for resale shall not be included in the computation of Net Sales hereunder (except where such Affiliates or Sublicensees are the end users) and Net Sales shall be the gross invoice or contract price charged to the Third Party customer for that Collaboration Product in an arms' length transaction, less the Permitted Deductions. Net Sales calculations shall be determined in accordance with Accounting Standards consistently applied throughout the organization and across all products of the entity whose sales of Collaboration Products are giving rise to Net Sales. In the case of any sale or other transfer for value, such as barter or counter-trade, of a Collaboration Product, or part thereof, other than in an arm's length transaction exclusively for cash, Net Sales shall be calculated as above on the value of the non-cash consideration received or the fair market price (if higher) of such Collaboration Product in the country of sale or transfer, as determined in accordance with Accounting Standards consistently applied (as contemplated above).

In the case where a Collaboration Product is sold as part of a Combination Product in a country in the Territory, Net Sales for the Collaboration Product included in such Combination Product in such country shall be calculated as follows:

(i) if the Collaboration Product is sold separately in such country and the other active ingredient or ingredients in the Combination Product are sold separately in such country, Net Sales for the Collaboration Product shall be calculated by multiplying actual Net Sales of such Combination Product in such country by the fraction A/(A+B), where A is the invoice price of the Collaboration Product when sold separately in such country and B is the total invoice price of the other active ingredient or ingredients in the Combination Product when sold separately in such country;

(ii) if the Collaboration Product is sold separately in such country but the other active ingredient or ingredients in the Combination Product are not sold separately in such country, Net Sales for the Collaboration Product shall be calculated by multiplying actual Net Sales of such Combination Product in such country by the fraction A/D, where A is the invoice price of the Collaboration Product when sold separately in such country and D is the invoice price of the Combination Product in such country;

(iii) if the Collaboration Product is not sold separately in such country but the other active ingredient or ingredients in the Combination Product are sold

other active ingredient or ingredients in the Combination Product are sold

separately in such country, Net Sales for the Collaboration Product shall be calculated by multiplying actual Net Sales of such Combination Product by the fraction 1 – (B/D), where B is the invoice price of the other active ingredient or ingredients in the Combination Product when sold separately in such country and D is the invoice price of the Combination Product in such country; notwithstanding the foregoing, if the other active ingredient or ingredients in the Combination Product are being sold by (a) Seller, then Net Sales for the Collaboration Product shall be calculated by multiplying actual Net Sales of such Combination Product by the fraction 1 – (E/E+1), where E is the number of other active ingredients in the Combination Product, and (b) a Third Party, where such Third Party and Seller have a written agreement on how actual Net Sales of such Combination Product shall be split between Seller and such Third Party, then Net Sales for the Collaboration Product shall be the proportion of Net Sales of the Combination Product Seller actually receives under such written agreement with such Third Party; or

(iii) if neither the Collaboration Product nor the other active ingredient or ingredients in the Combination Product are sold separately in such country, the Parties shall determine Net Sales for the Collaboration Product in such Combination Product by mutual agreement based on the relative contribution of the Collaboration Product and each other active ingredient to the Combination Product, and shall take into account in good faith any applicable allocations and calculations that may have been made for the same period in other countries.

For purposes of this definition, "Combination Product" means a product that includes at least one active ingredient other than a Collaboration Product, when a single sale or reimbursement price is set for such Combination Product.

1.134. "Ongoing Internal PIRS Program" means therapeutic programs for which PIRS has initiated lab work, including all of the following: (i) generation of the genetic constructs, (ii) production of the corresponding protein, and (iii) testing of such protein in at least one (1) in vitro or in vivo assay.

1.135. "Option Notice" has the meaning set forth in Section 4.4.2.2.

1.136. "Original Effective Date" means February 8, 2018, the effective date of the Original Agreement.

1.137. "Original Agreement" has the meaning set forth in the recitals.

1.138. "Out-of-Pocket Costs" means all direct project costs and expenses paid to Third Parties (or payable to Third Parties) after the Effective Date, which are specifically

identifiable for or Reasonably Allocable to services or materials provided by such Third Parties directly in their performance of the Research, Development, Manufacture, or Commercialization of a Compound; such expenses to have been recorded and accrued in accordance with Accounting Standards by the applicable Party and/or its Affiliates, in each case without mark-up. For clarity, Out-of-Pocket Costs do not include capital expenditures (unless mutually agreed by the Parties), travel expenses, idle Manufacturing capacity costs, or items intended to be covered under the definition of FTE Costs. For further clarity, Out-of-Pocket Costs do include otherwise eligible costs for: contract research organizations (CROs); clinical supplies; Manufacturing process development and scale-up; test method development, qualification, and validation; formulation development; and stability testing.

1.139. "Partnering Agreement" means with respect to any Collaboration Product, an agreement with a Third Party to license or sublicense, transfer, assign or sell (in each case, including an option to do so, but excluding any assignment or sale in connection with a Change of Control of the assigning or selling Party) all or part of its rights and obligations to Research, Develop and Commercialize such Collaboration Product.

1.140. "Party" or "Parties" has the meaning set forth in the preamble.

1.141. "Patent Right" or "Patent" means any and all patent rights and all right, title and interest in all patent applications and patents that issue from them, all letters patent or equivalent rights and applications in each case to the extent the same has not been held, by a court of competent jurisdiction, to be invalid or unenforceable in a decision from which no appeal can be taken or from which no appeal was taken within the time permitted for appeal. Patent Rights include any extension, registration, confirmation, reissue, continuation, supplementary protection certificate, divisional, continuation-in-part, re-examination, or renewal thereof or foreign counterparts of any of the foregoing.

1.142. "Paying Party" has the meaning set forth in Section 8.3.1.

1.143. "Permitted Deductions" has the meaning set forth in Section 1.133.

1.144. "Phase 1 Clinical Study" means a clinical study of a product in human subjects which provides for the first introduction into humans of a product, conducted in healthy volunteers or patients to obtain information on product safety, tolerability, pharmacological activity, or pharmacokinetics, as described in 21 C.F.R. § 312.21(a) (or the non-US equivalent thereof).

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

1.145. "Phase 1 Clinical Study Expansion Cohort" means the expansion of a Phase 1 Clinical Study to include additional patient(s) following the selection of a dose during the dose escalation part of the Phase 1 Clinical Study (such as a maximum tolerated dose).

1.146. "Phase 2 Clinical Study", "Phase 2a Clinical Study" or "Phase 2b Clinical Study" means a clinical study of a product that is prospectively designed to establish the safety, dose ranging and efficacy of a product as further defined in 21 C.F.R. § 312.21(b) (or the non-US equivalent thereof).

1.147. "PIRS" has the meaning set forth in the preamble.

1.148. "PIRS Anticalin Target" means [***].

1.149. "PIRS Background Agreement" means (i) the Research and License Agreement with [***] and (ii) any agreement entered by PIRS to in-license any Intellectual Property Rights necessary or useful for the Research, Development, Manufacturing, or Commercialization of the PIRS Building Block of any Compound.

1.150. "PIRS Building Block" means any Anticalin Protein Building Block Controlled by PIRS. For avoidance of doubt, any PIRS Building Block with the same PIRS Anticalin Target shall be deemed to be the same PIRS Building Block under this Agreement.

1.151. "PIRS Building Block IP" means all Patent Rights and Know-How Controlled by PIRS as of the Effective Date and thereafter during the Term that Cover an Anticalin Protein Building Block individually, including all Intellectual Property Rights therein, but excluding any PIRS Platform IP and PIRS Platform Improvement IP.

1.152. "PIRS CoPro Option" has the meaning set forth in Section 4.1.2.1.

1.153. "PIRS CoPro Option Exercise Effective Date" has the meaning set forth in Section 4.4.2.2.

1.154. "PIRS Collaboration Product" has the meaning set forth in Section 15.3.2.4(a).

1.155. "PIRS Indemnitees" has the meaning set forth in Section 14.2.

1.156. "PIRS IP" means any and all PIRS Patent Rights and the PIRS Know-How, including any Intellectual Property Rights therein. For avoidance of doubt, PIRS

IP shall exclude PIRS Platform IP and PIRS Platform Improvement IP but shall include PIRS Building Block IP.

1.157. "PIRS Know-How" means all Know-How that is Controlled by PIRS as of the Effective Date and thereafter during the Term other than pursuant to the licenses granted by SGEN under this Agreement and that (a) Covers the Research, Development, Manufacture, or Commercialization of the Compounds or (b) is reasonably necessary for the Research, Development, Manufacture, or Commercialization of the Compounds, but excludes Know-How within the PIRS Platform IP and PIRS Platform Improvement IP. PIRS Know-How shall include PIRS' interest in Joint Know-How.

1.158. "PIRS Patent Rights" means any Patent Rights that are Controlled by PIRS as of the Effective Date and thereafter during the Term, and that (a) Cover the Research, Development, Manufacture, or Commercialization of the Compounds (including their composition, formulation, combination, product by process, or method of use, manufacture, preparation, or administration), or (b) are reasonably necessary for the Research, Development, Manufacture, or Commercialization of the Compounds pursuant to the terms of this Agreement. PIRS Patent Rights shall include PIRS' interest in Joint Patents that meet the above requirements. PIRS Patent Rights shall exclude Patent Rights within the PIRS Platform IP and PIRS Platform Improvement IP. The PIRS Patent Rights existing as of the Effective Date are set forth in Exhibit 1.158 and shall be updated from time to time.

1.159. "PIRS Platform Improvement IP" means any and all Patent Rights or Know-How created, invented, or generated by or on behalf of employees, agents, or independent contractors of either Party or their Affiliates (whether alone or jointly) in the course of performing activities pursuant to this Agreement or the Original Agreement that constitutes an improvement, modification, or enhancement to, or derivative of, the PIRS Platform IP, including all Intellectual Property Rights therein. The Patent Rights within the PIRS Platform IP shall be added to Exhibit 1.159 from time to time.

1.160. "PIRS Platform IP" means (a) the Know-How Controlled by PIRS that is necessary or useful for the practice of the PIRS Platform Technology, and (b) those Patent Rights Controlled by PIRS directed to the PIRS Platform Technology as set forth in Exhibit 1.160.

1.161. "PIRS Platform Technology" means Anticalin Libraries, Anticalin Selection, Anticalin Expression, Anticalin Characterization, Anticalin Fusion Technology, and Anticalin Affinity Maturation methods, all to the extent Controlled by PIRS.

1.162. "Pivotal Clinical Study" means a clinical study of a product that is designed to generate statistically significant evidence of the efficacy of a product for a particular Indication or use (as well as additional safety information) and that is intended to form the primary scientific support for filing a BLA to obtain Marketing Approval to market the product (or any MAA for the non-US equivalent thereof).

1.163. "Platform Agreement" means that certain non-exclusive license agreement to the PIRS Platform Technology entered into between SGEN and PIRS on the date hereof.

1.164. "Prior CDA" has the meaning set forth in Section 1.69.

1.165. "Proposed Terms" has the meaning set forth in Section 16.2.2.2.

1.166. "Promotional Materials" means any advertising, marketing, or promotional materials, any communication, educational or training tools or materials related thereto, and any similar tools or materials in any medium, in each case, relating to the CoPro Product and intended for use by Sales Representatives in the Co-Pro Territory.

1.167. "Receiving Party" has the meaning set forth in Section 1.69.

1.168. "Reasonably Allocable" means, with respect to FTE Costs or Out-of-Pocket Costs that are associated with an applicable Compound and something else (such as another product or Compound) and where such costs are not separately accounted for or invoiced for such Compound, only the pro-rated portion of such costs that are attributable to such Compound (based on head-count, time-spent or other activity-based method) and calculated and documented in good faith using Accounting Standards.

1.169. "Regulatory Approval" means any and all approvals, licenses, registrations, or authorizations by a Competent Authority necessary for the Development activities (including any IND/IMPD approval), Manufacturing activities or Commercialization activities (including, where applicable, Marketing Approval, pricing, labeling and reimbursement determinations or approvals).

1.170. "Regulatory Exclusivity" means any exclusive marketing rights or data exclusivity rights conferred by any applicable Competent Authority, other than an issued and unexpired Patent, including any regulatory data protection exclusivity and/or any other exclusivity afforded by restrictions which prevent the granting by a Competent Authority of Regulatory Approval to market for any indication a Biosimilar.

1.171. "Regulatory Materials" means regulatory applications, submissions, dossiers, notifications, registrations, case report forms, trial master file, DMF, common technical documents, question and answers with Competent Authorities, Marketing Approvals or other filings or communications made to or with, or other approvals granted by, a Competent Authority that are necessary or reasonably desirable in order to Develop, Manufacture or Commercialize a Collaboration Product in a particular country or regulatory jurisdiction.

1.172. "Research" or "Researching" means activities related to the design, discovery, generation, identification, profiling, characterization, production, process development, cell line development, pre-clinical development or non-clinical or pre-clinical studies of Research Candidates prior to [***].

1.173. "Research Candidate" means a bispecific Antibody-Anticalin Protein fusion molecule Researched by the Parties under this Agreement or the Original Agreement. Each Research Candidate shall include [***] PIRS Building Block and [***] SGEN Building Block.

1.174. "Research Candidate Target Combination" means the [***] Targets against which a single Research Candidate is directed.

1.175. "Research Collaboration" has the meaning set forth in Section 4.1.

1.176. "Research Candidate Plan" has the meaning set forth in Section 4.1.2.1.

1.177. "Research Term" means, with respect to the [***] Research Candidates for an Approved SGEN Antibody Target, the period of time commencing on (I) the Original Agreement Effective Date for the First Approved SGEN Antibody Target, and (II) the date a nominated SGEN Antibody Target becomes approved (as notified by the Gatekeeper in accordance with Section 4.1.1.5(c)) for the Second and Third Approved SGEN Antibody Targets, and, continuing until the earliest of (i) with respect to (x) the First Approved SGEN Antibody Target, [***] years after SGEN's receipt of [***] of the Research Candidate directed to the [***] PIRS Anticalin Target, or (y) the Second and Third Approved SGEN Antibody Targets, [***] years after SGEN's receipt of [***] of such Research Candidates, respectively and (ii) with respect to all Approved SGEN Antibody Targets, the [***].

1.178. "Restricted Research Candidate Target List" means the list of Targets that PIRS submitted to the Gatekeeper within [***] days of the Original Agreement Effective Date, updated pursuant to the Original Agreement, and as updated on an ongoing basis under this Agreement, that includes (i) the Targets that PIRS would be

contractually restricted from Researching, Developing, Manufacturing, or Commercializing under this Agreement, and (ii) Targets for which PIRS has a bona fide Ongoing Internal PIRS Programs, which PIRS shall provide to the Gatekeeper from time to time.

1.179. "Royalties" means Collaboration Product Royalties or Additional CoPro Product Royalties or both.

1.180. "Royalty Bearing Net Sales" means on a country-by-country and Collaboration Product-by- Collaboration Product basis, the Net Sales generated during the Royalty Term for such Collaboration Product in such country.

1.181. "Royalty Term" means, on a country-by-country basis and Collaboration Product-by-Collaboration Product basis, the period commencing on the First Commercial Sale of such Collaboration Product in a country and ending with respect to such Collaboration Product in such country on the later of (a) [***] years thereafter in such country of sale; (b) [***] in such country of sale; or (c) expiration of the [***], in each case, Covering the import, use, sale or offer for sale (but, for clarity, not the Manufacturing) of such Collaboration Product in such country of sale, including by 35 U.S.C. § 271(g) or any foreign equivalent.

1.182. "Rules" has the meaning set forth in Section 16.2.1.

1.183. "Sales Representative" of a Party means an employee of such Party or an Affiliate of such Party engaged by such Party or Affiliate to Detail the Co-Pro Product on behalf of such Party or such Affiliate in the Co-Pro Territory.

1.184. "SEC" has the meaning set forth in Section 11.6.2.

1.185. "Second Approved SGEN Antibody Target" has the meaning set forth in Section 4.1.1.3.

1.186. "Seller" has the meaning set forth in Section 1.133.

1.187. "Senior Executives" means the Chief Executive Officer of PIRS and the Chief Executive Officer of SGEN, or their duly authorized respective designees with equivalent decision-making authority with respect to matters under this Agreement.

1.188. "Sensitive Information" has the meaning set forth in Section 9.3.6.2.

1.189. "SGEN" has the meaning set forth in the preamble.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

1.190. "SGEN Antibody Target" means an antibody Target that SGEN has nominated and the Gatekeeper has approved for use in the collaboration in accordance with Section 4.1.1.

1.191. [***]

1.192. "SGEN Background Agreement" means any agreement entered by SGEN, whether before or after the Effective Date, to in-license any Intellectual Property Rights necessary or useful for the Research, Development, Manufacturing, or Commercialization of the SGEN Building Block of any Compound.

1.193. "SGEN Building Block" means any Antibody Building Block Controlled by SGEN. For avoidance of doubt, any Antibody Building Block with the same SGEN Antibody Target shall be deemed to be the same SGEN Building Block under this Agreement.

1.194. "SGEN Building Block IP" means all Patent Rights and Know-How Controlled by SGEN as of the Effective Date and thereafter during the Term that Cover an Antibody Building Block individually, including all Intellectual Property Rights therein.

1.195. "SGEN Compound Specific Patents" has the meaning set forth in Section 10.1.3.1.

1.196. "SGEN Indemnitees" has the meaning set forth in Section 14.1.

1.197. "SGEN Infringement Action" has the meaning set forth in Section 10.6.2.1.

1.198. "SGEN IP" means any and all SGEN Patent Rights and SGEN Know-How, including any Intellectual Property Rights therein. For the avoidance of doubt, SGEN IP shall include SGEN Building Block IP.

1.199. "SGEN Know-How" means all Know-How that is Controlled by SGEN as of the Effective Date and thereafter during the Term other than pursuant to the licenses granted by PIRS under this Agreement and that (a) Covers the Research, Development, Manufacture, or Commercialization of the Compounds or (b) is reasonably necessary for the Research, Development, Manufacture, or Commercialization of the Compounds. SGEN Know-How shall include SGEN's interest in Joint Know-How.

1.200. "SGEN Patent Rights" means any Patent Rights that are Controlled by SGEN as of the Effective Date and thereafter during the Term, and that that (a) Cover the

Research, Development, Manufacture, or Commercialization of the Compounds (including their composition, formulation, combination, product by process, or method of use, manufacture, preparation, or administration), or (b) are reasonably necessary for the Research, Development, Manufacture, or Commercialization of the Compounds pursuant to the terms of this Agreement. SGEN Patent Rights shall include SGEN's interest in Joint Patents that meet the above requirements. The SGEN Patent Rights existing as of the Effective Date (if any) are set forth in Exhibit 1.200 and shall be updated from time to time.

1.201. "Significant Study" has the meaning set forth in Section 4.3.6.

1.202. "Subject Item" has the meaning set forth in Section 1.70.

1.203. "Sublicensee" means a Third Party which is a licensee or sublicensee of the rights granted to SGEN or PIRS, as applicable, under this Agreement, in accordance with the terms and conditions of this Agreement. For sake of clarity, Sublicensees do not include (a) wholesalers, Distributors or similar entities performing similar functions, even if such Third Party is granted a limited right to promote and resell a Collaboration Product sold to it and (b) Affiliates of the Party that has been granted the license (i.e., SGEN or PIRS, as applicable). For avoidance of doubt, neither Party shall be permitted to sublicense their rights under this Agreement with respect to a Compound until after achievement of the [***] with respect to such Compound.

1.204. "Subscription Agreement" has the meaning set forth in Section 7.3.

1.205. "Target" means the biological target of a pharmacologically active drug compound.

1.206. "Term" has the meaning set forth in Section 15.1.

1.207. "Terminated Candidate" has the meaning set forth in Section 15.3.2.4.

1.208. "Terminated Compound" has the meaning set forth in Section 15.3.2.4.

1.209. "Terminated Product" has the meaning set forth in Section 15.3.2.4.

1.210. "Territory" means the entire world.

1.211. [***]

1.212. "Third Approved SGEN Antibody Target" has the meaning set forth in Section 4.1.1.3.

Section 4.1.1.3.

1.213. "Third Party" means any person or entity other than PIRS, SGEN, and their respective Affiliates.

1.214. "Third Party Claim" has the meaning set forth in Section 14.1.

1.215. "Third Party License" has the meaning set forth in Section 8.1.2.

1.216. "Trademarks" means all trademarks, service marks, trade names, rights in trade dress, logos, symbols, brand names and all trademark rights and interests throughout the world, and all right, title and interest in related applications and registrations throughout the world under common law, state law, federal law, or laws of foreign countries.

1.217. "Transferring Party" has the meaning set forth in Section 2.5.1.

1.218. "US" means the United States of America and its territories and possessions.

1.219. "Valid Claim" means (a) a claim of an issued and unexpired Patent Right, which claim has not been revoked or held invalid or unenforceable by a final court without the possibility of appeal or other government agency of competent jurisdiction by a final determination without the possibility of appeal or has not been held (through a final determination without the possibility of appeal) or admitted to be invalid or unenforceable through re-examination or disclaimer, reissue, opposition procedure, nullity suit or otherwise by a final determination without the possibility of appeal or (b) a claim of a pending Patent Right application that has not been abandoned, finally rejected or expired without the possibility of appeal or refiling; provided, however, that Valid Claim will exclude any such pending claim in an application that has not been granted within [***] years following the earliest priority filing date for such application, excluding, however, any pending Patent Right that does not have a reasonable bona fide basis for patentability (such reasonable bona fide basis to be determined by an outside counsel selected in good faith by the Parties, in the event that the Parties disagree as to whether there is a reasonable bona fide basis for patentability for such a claim). For purposes of the definition of Valid Claim, "determination" means a determination with respect to a Patent Right that would prevent a Party from enforcing or continuing to enforce such Patent Right. To the extent that any Patent Right is issued, restored, or otherwise deemed valid and enforceable, then it once again shall be considered a Valid Claim as from the date of such issuance, restoration, or determination.

1.220. "Withholding Taxes" has the meaning set forth in Section 8.3.3.

1.221. "Working Group" has the meaning set forth in Section 3.7.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

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2. License Grants

2.1. Collaboration Product Licenses. Subject to the terms and conditions set forth in this Agreement, on a Collaboration Product-by-Collaboration Product basis, PIRS hereby grants to SGEN an exclusive (even as to PIRS, but subject to Section 2.3) sublicensable (subject to Section 2.4), non-transferable (except as set forth in Section 16.4), right and license under the PIRS IP to Develop, Manufacture, have Manufactured, and Commercialize such Collaboration Product in the Territory and in the Field. For clarity, the license grant to SGEN under this Section 2.1 with respect to any PIRS Building Block IP within the PIRS IP is exclusive solely with respect to the applicable Collaboration Product, and no other right or license is granted to SGEN under such PIRS Building Block IP (e.g., to develop and commercialize the applicable PIRS Building Block as a standalone product or as a component of an unrelated product).

2.2. Research Candidate Research Licenses.

2.2.1. License Grant to SGEN. Subject to the terms and conditions set forth in this Agreement, on an Research Candidate-by-Research Candidate basis, during the Research Term for such Research Candidate, PIRS hereby grants to SGEN a co-exclusive (with PIRS), non-sublicensable, non-transferable (except as set forth in Section 16.4), right and license under the PIRS IP for the Research and Manufacturing activities in relation to such Research Candidate to be performed by SGEN (alone or jointly with PIRS) under the applicable Research Candidate Plan in the Field and anywhere in the Territory. For clarity, the license grant to SGEN under this Section 2.2.1 with respect to any PIRS Building Block IP within the PIRS IP is co-exclusive (with PIRS) solely with respect to the applicable Research Candidate, and no other right or license is granted to SGEN under such PIRS Building Block IP (e.g., to develop and commercialize the applicable PIRS Building Block as a standalone product or as a component of an unrelated product).

2.2.2. License Grant to PIRS. Subject to the terms and conditions set forth in this Agreement, on an Research Candidate-by-Research Candidate basis, during the Research Term for such Research Candidate, SGEN hereby grants to PIRS a co-exclusive (with SGEN), non-sublicensable, non-transferable (except as set forth in Section 16.4), right and license under the SGEN IP for the Research and Manufacturing activities in relation to such Research Candidate to be performed by PIRS (alone or jointly with SGEN) under the applicable Research Candidate Plan in the Field and anywhere in the Territory. For clarity, the license grant to PIRS under this Section 2.2.2

the Territory. For clarity, the license grant to PTRS under this Section 2.2.2

with respect to any SGEN Building Block IP within the SGEN IP is co-exclusive (with SGEN) solely with respect to the applicable Research Candidate, and no other right or license is granted to PIRS under such SGEN Building Block IP (e.g., to develop and commercialize the applicable SGEN Building Block as a standalone product or as a component of an unrelated product).

2.3. CoPro Product License. Subject to the terms and conditions of this Agreement, if and when PIRS exercises the PIRS CoPro Option, SGEN hereby grants to PIRS, commencing on PIRS CoPro Option Exercise Effective Date, the non-transferable (except as set forth in Section 16.4), right to provide [***] percent ([***]%) of the Sales Representatives to Detail the Co-Pro Product in the Co-Pro Territory, as further described in Article 6, including the right to use and deliver Promotional Materials in connection therewith.

2.4. Sublicense Rights. SGEN may sublicense (through multiple tiers) all or part of the rights and licenses granted to them under this Section 1.220 to a Third Party, provided, however, that in the event of such sublicensing, (a) the applicable Partnering Agreement is consistent with, and fully implements the relevant provisions of, this Agreement, including PIRS' CoPro Option under this Agreement as applicable, (b) such Sublicensees will be subject to the same confidentiality and diligence obligations SGEN has hereunder, and (c) SGEN will remain liable for all the terms and conditions of this Agreement such that any act or omission by or on behalf of a Sublicensee that would be a breach of this Agreement if undertaken by SGEN, shall be deemed a breach of this Agreement by SGEN.

2.5. Know-How Transfer & Information Sharing.

2.5.1. Research Term. Within [***] days of approval of a SGEN Antibody Target under Section 4.1.1 or any other schedule unanimously agreed upon by the Parties in a Research Candidate Plan, [***] that [***] or [***] a [***] been [***]. For avoidance of doubt and subject to Section 2.6 below, [***] Section 2.5.1, [***].

2.5.2. Ongoing Transfer & Information Sharing.

2.5.2.1. Research Candidates. With respect to each Research Candidate, during the Research Term with respect to such Research Candidate, the Transferring Party shall promptly [***] to the [***] that is [***].

2.5.2.2. Ongoing Mutual Information Sharing on Collaboration Products and PIRS' products Comprising a PIRS Building Block.

(a) PIRS intends to share with SGEN information on PIRS' products (other than Collaboration Products) that incorporate a PIRS Building Block and that may be relevant for the Research, Development, Manufacturing or Commercialization of Collaboration Products through the JSC. Subject to any confidentiality obligations to Third Parties, such information may include outlines for and summary results of (i) relevant non-clinical studies, such as in vivo pharmacology and toxicology studies, (ii) CMC activities, such as information on formulations and upstream and downstream processes for such products, (iii) clinical trials and biomarker activities, and (iv) substantive interactions with Regulatory Authorities.

(b) SGEN intends to share with PIRS information on Collaboration Products that may be relevant for the Research, Development, Manufacturing or Commercialization of PIRS' products (other than Collaboration Products) that incorporate a PIRS Building Block through the JSC. Subject to any confidentiality obligations to Third Parties, such information may include outlines for and summary results of (i) relevant non-clinical studies, such as in vivo pharmacology and toxicology studies, (ii) CMC activities, such as information on formulations and upstream and downstream processes for such products, (iii) clinical trials and biomarker activities, and (iv) substantive interactions with Regulatory Authorities.

2.5.2.3. Potential CoPro Products. For so long as PIRS holds the PIRS Co-Pro Option, SGEN will provide updates through the JSC on any Pivotal Clinical Study of a Collaboration Product comparable to those prepared for SGEN internal management, its medical affairs and commercial sales and marketing functions.

2.6. Use of Data.

2.6.1. Use of Data. Subject to the terms and conditions of this Agreement, including the non-compete provisions of Section 9.2, either Party may use any Data generated pursuant to this Agreement or the Original Agreement to research products that are not Compounds.

2.6.2. Disclaimer. Other than as expressly set forth in this Agreement, any Data disclosed or materials provided by a Party to the other Party under this Agreement or the Original Agreement is provided on an "as is" basis, without any warranty (express or implied) of any kind, and the disclosing Party expressly disclaims all such warranties to the maximum extent permitted under applicable Law. The recipient Party on behalf of itself and

permitted under applicable Law. The recipient Party on behalf of itself and

its Affiliates and Sublicensees accepts all risk and liability in relation to the use of the Data or materials received from the disclosing Party under this Agreement. For avoidance of doubt, this Section 2.6.2 does not limit either Party's rights with respect to the other Party's breach of this Agreement.

2.7. Building Block Right of IND Reference. To the extent that a Party has filed and Controls an IND/IMPD for a product (including any Collaboration Product) that includes a Party's Building Block (such product the "**Reference Product**", and such Party the "**IND Filing Party**"), then, upon the written request of the other Party (the "**IND Beneficiary**"), such Party shall provide a copy of such IND/IMPD to the IND Beneficiary, provided, however, that such written request can only be made within [***] months of the IND Beneficiary's good faith anticipated [***] for the product (including any Collaboration Product) that includes the same Building Block as the Reference Product. In addition, upon written request of the IND Beneficiary, the IND Filing Party shall take all actions necessary to permit the IND Beneficiary to cross-reference such IND/IMPD (in its entirety) in its own Regulatory Materials (including any IND) for a product (including any Collaboration Product) that includes the same Building Block as the Reference Product.

3. Governance & Committees

3.1. **Joint Steering Committee.** The Parties have previously established a joint steering committee under the Original Agreement (the "**Joint Steering Committee**" or "**JSC**").

3.1.1. The JSC will be responsible for:

3.1.1.1. attempting to resolve issues presented to it in accordance with Section 3.4.2;

3.1.1.2. establishing, as appropriate, any additional sub-committees and Working Groups (subject to Section 3.7);

3.1.1.3. reviewing and approving each Research Candidate Plan (including work splits and budget) and any updates and proposed amendments thereto;

3.1.1.4. initiating, implementing, and overseeing the conduct of any Research Candidate Plan;

3.1.1.5. reviewing, resolving, and approving any matters or disputes related to the Research of any Research Candidate prior to [***];

3.1.1.6. establishing a core joint research team to ensure work under each Research Candidate Plan is executed efficiently;

3.1.1.7. discussing and exchanging relevant Research Data for the Research Candidates in accordance with Section 2.5.2.1;

3.1.1.8. subject to the other provisions of this Agreement, discussing and seeking to resolve any disputes between the Parties under this Agreement; and

3.1.1.9. making such determinations as are expressly delegated to it under the terms of this Agreement.

3.1.2. The JSC will further provide a forum for:

3.1.2.1. discussing the information shared between the Parties according to Section 2.5.2.2 and 2.5.2.3; and

3.1.2.2. discussing the annual reports provided by SGEN as set forth in Section 3.5. PIRS shall have the opportunity to ask questions related to such annual reports and SGEN will make good faith efforts to answer such questions. For the avoidance of doubt, the JSC shall have no decision-making authority for any Collaboration Product and SGEN shall have no obligation other than to discuss and provide SGEN's views on questions and comments made by PIRS to SGEN.

3.1.3. Unless otherwise agreed upon between the Parties, the JSC shall be comprised of an equal number of representatives from each of SGEN and PIRS, which unless otherwise agreed upon between the Parties, shall be comprised of three (3) members of each Party.

3.1.4. The JSC will meet [***] times per Calendar Year during the Research Term and [***] each Calendar Year thereafter (or as often as otherwise agreed upon), provided, however, that after the Research Term, each Party shall update the other Party once in between the annual JSC meetings on relevant information that would otherwise be shared during JSC meetings through a written update in a format to be selected by such Party. At the other Party's request, such Party will participate in a brief telephone conference to answer the other Party's questions regarding such

written update. All meetings of the JSC shall be virtual unless the Parties agree otherwise. The Parties intend to replace their respective appointees to the JSC as its focus changes following the expiration of the Research Term.

3.1.5. Decision-making by the JSC shall be as set forth in Section 3.4.2.

3.2. Joint Intellectual Property Committee. The Parties have previously established a joint intellectual property committee (the "Joint Intellectual Property Committee" or "JIPC") under the Original Agreement.

3.2.1. The JIPC will be responsible for:

3.2.1.1. consistent with Article 10, overseeing all intellectual property related issues arising under this Agreement, including strategies for prosecution and maintenance of all Joint IP;

3.2.1.2. preparing reports and guidance related to such intellectual property issues; and

3.2.1.3. making such determinations as are expressly delegated to it under the terms of this Agreement.

3.2.2. Unless otherwise agreed upon between the Parties, the JIPC shall be comprised of one (1) member of each Party. All JIPC representatives will have appropriate expertise, seniority, decision-making authority, and ongoing familiarity with the subject matter of this Agreement and each Party's representatives collectively will have relevant expertise in intellectual property portfolio management. Decision-making by the JIPC shall be as set forth in Section 3.6.2.

3.2.3. The JIPC will meet at least [***] each Calendar Year (or more if agreed upon).

3.3. Co-Pro Coordinators. Promptly following the exercise of the PIRS Co-Pro Option, each Party shall designate a single point of contact (each, a "Co-Pro Coordinator") to coordinate the Detailing of the Co-Pro Product in the CoPro Territory pursuant to this Agreement.

3.3.1. If designated, the Co-Pro Coordinators will be charged solely with coordination of the Detailing of the CoPro Product in the CoPro Territory, including:

3.3.1.1. facilitating the negotiation and execution of the Co-Promotion Agreement; and

3.3.1.2. establishing a co-promotion coordination team (with each Party having an equal number of representatives to be mutually agreed upon) to ensure work under the Co-Promotion Agreement is executed efficiently.

3.4. Governance and Decision-Making.

3.4.1. General Rules.

3.4.1.1. Committee Membership. Each of the Joint Steering Committee and Joint Intellectual Property Committee, (each, a "Committee") will have solely the roles and responsibilities assigned to it in this Article 3 and as otherwise expressly set forth in this Agreement. Either Party may replace its respective Committee representatives at any time with prior written notice to the other Party. In the event a Committee member from either Party is unable to attend or participate in a Committee meeting, the Party who designated such representative may designate a substitute representative for the meeting in its sole discretion. The Alliance Managers (as defined below) appointed by SGEN and PIRS are ex-officio members of each of the Committees. For avoidance of doubt, the Alliance Manager may also be a member of one or more Committees and either Party may include the same individual on one or more Committees.

3.4.1.2. Co-Chairs. Each Party shall appoint one of its members in each Committee to co-chair such Committee's meetings (each, a "Co-Chair"). The Co-Chairs shall attend each Committee meeting (either in-person, by videoconference or telephonically, unless otherwise expressly provided herein). Unless otherwise agreed, the Co-Chairs shall have relevant decision-making authority from each Party such that the Committee is able to effectuate all of its decisions within the scope of its responsibilities. In the event the Co-Chair from either Party is unable to attend or participate in a Committee meeting, the Party who designated such Co-Chair may designate a substitute Co-Chair for the meeting in its sole discretion.

3.4.1.3. Committee Meetings. All Committee meetings may be conducted by telephone, video-conference or in person as determined by the Co-Chairs in consultation with the Alliance Managers. Each Party shall bear its own personnel and travel costs and expenses relating to Committee meetings. With the consent of the Parties (not to be withheld unreasonably), other employee representatives of the Parties may attend any Committee

other employee representatives of the Parties may attend any Committee

meeting as non-voting observers. Either Party may also call a special meeting of a Committee (by videoconference or teleconference) by at least [***] Business Days prior written notice to the other Party in the event such Party reasonably believes that a significant matter must be addressed prior to the next regularly scheduled meeting, and no later than [***] Business Days prior to the special meeting, such Party shall provide the Committee with materials reasonably adequate to enable an informed decision.

3.4.2. Decision Making. Other than as set forth herein, in order to make any decision required of it hereunder with respect to any approval, a Committee must have present (in person, by videoconference or telephonically) at least the Co-Chair of each Party (or his/her designee for such meeting). The Parties will endeavor to make decisions where required with respect to any approval of a Committee by consensus of the Co-Chairs. Notwithstanding the foregoing:

3.4.2.1. JSC. The JSC shall attempt in good faith to resolve any dispute or failure to agree (including those escalated from the JIPC) by unanimous consent (with the Co-Chairs having each one vote). If the JSC cannot resolve such dispute or failure to agree within [***] days of the matter being referred to it, then SGEN shall have final decision-making authority on all matters except that any matter that falls within the purview of the JIPC shall be escalated to the Senior Executives followed by accelerated dispute resolution pursuant to Section 16.2.2.

3.4.2.2. Notwithstanding the foregoing, PIRS shall have final decision-making authority with respect to deployment of its internal resources and FTEs under any Research Candidate Plan, provided, however, that PIRS shall have the obligation to make available a similar level of resources and internal FTEs for each of the [***] as were set forth in the Research Candidate Plan for the First Approved SGEN Antibody Target attached hereto as Exhibit 4.1.2. Further notwithstanding, the Parties shall mutually agree the criteria for [***].

3.4.2.3. JIPC. Decisions by the JIPC shall be by consensus, and any disputes shall be escalated to the JSC; and

3.4.3. Notwithstanding the foregoing, day-to-day operational level decisions concerning tasks or activities shall be made by the Party to which responsibility for such task or activity has been allocated under this Agreement; *provided that* such decisions are not inconsistent with the Research Candidate Plan or Co-Promotion Plan, as applicable, or the

Research Candidate Plan or Co-Promotion Plan, as applicable, of the

express terms and conditions of this Agreement or the Co-Promotion Agreement.

3.5. Annual Reporting. In addition to the mutual information sharing as set forth in Section 2.5.2.2 via JSC meetings, SGEN shall provide PIRS a written annual report (in a format to be selected by SGEN, and reasonably acceptable to PIRS) no later than [***] days following the end of every Calendar Year summarizing SGEN's Research, Development, Manufacturing, and Commercialization activities for every Collaboration Product, including general timelines with regard to any milestone events described in Section 7.6 expected to be achieved within [***] following such report (to the extent SGEN has such visibility). For each such applicable Collaboration Product, such written annual report shall include summary information (except for SGEN [***]) on:

3.5.1. Clinical Studies (including development phase, Indications, anticipated size and duration, primary endpoints, and top-line results, as available and applicable) that (a) have been conducted in the prior [***] months or (b) are intended to be conducted or Initiated in the next [***] months;

3.5.2. anticipated launch dates by country;

3.5.3. in the event of [***] successive Calendar Quarters of [***] of such Collaboration Product, [***] of promotional efforts that have been spent in the prior [***] months; and

3.5.4. activities and plans (if any) for such Collaboration Product in [***].

3.6. For the avoidance of doubt, failure to meet the projected timelines for Clinical Studies and anticipated launch dates described in Section 3.5.1 and Section 3.5.2 above shall not, taken alone, constitute a failure by SGEN to exercise Commercially Reasonable Efforts in the Development and Commercialization of such Collaboration Products.

3.7. Working Groups. From time to time, a Committee may establish and delegate duties to sub-committees or teams (each, a "Working Group") to oversee projects or activities within their respective authority. Each Working Group and its activities shall be subject to the oversight, review, and approval of, and shall report to, the Committee that established such Working Group. In no event shall the authority of any Working Group exceed that specified for the Committee under which such Working Group is established.

3.8. Alliance Managers. The Parties have previously appointed an alliance manager for such Party (each, an "Alliance Manager") under the Original Agreement. Each Alliance Manager shall be a representative of the applicable Party in connection with this Agreement. The Alliance Managers shall (a) coordinate all contacts between the Parties regarding the activities contemplated by this Agreement, (b) facilitate all such activities hereunder, (c) be responsible for progressing the alliance activities, (d) ensure the orderly conduct of Committee meetings, (e) prepare and issue written minutes of each Committee meeting within [***] days thereafter accurately reflecting the discussions and decisions of such Committee meeting, and (f) otherwise facilitate communication and be the first line of dispute resolution between the Parties. The Alliance Managers shall have the right to attend all Committee meetings and shall be responsible for assisting the Co-Chair in performing its oversight responsibilities. The name and contact information for each Party's Alliance Manager, as well as any replacement(s) chosen by such Party, in its sole discretion, from time to time shall be provided to the other Party. Each Party shall provide its Alliance Manager with sufficient resources for the Alliance Manager to perform his or her role under this Agreement.

3.9. Scope of Governance. Notwithstanding the creation of the Committees, each Party shall retain the rights, powers and discretion granted to it hereunder, and no Committee shall be delegated or vested with rights, powers, or discretion unless such delegation or vesting is expressly provided herein, or the Parties expressly so agree in writing. No Committee shall have the power to amend or modify this Agreement, and no decision of any Committee shall be in contravention of any terms and conditions of this Agreement. The Alliance Managers shall not have any rights, powers or discretion except as expressly granted to the Alliance Managers hereunder, and in no event shall the Alliance Managers have any right or power to modify or amend this Agreement. It is understood and agreed that issues to be formally decided by any of the Committees are only those specific issues that are expressly provided in this Agreement to be decided by such Committee.

4. Research & Development

4.1. Research. On a Research Candidate-by-Research Candidate basis, during the Research Term, the Parties shall jointly collaborate to generate, evaluate and Research such Research Candidate (individually and collectively, the "Research Collaboration"). There will be up to [***] Research Candidates under this Agreement, [***] for each SGEN Building Block.

4.1.1. SGEN Antibody Target Nomination, Gatekeeping, and Target Swap.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

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4.1.1.1. Research Candidate Target Combinations. There will be up to [***]. There will be [***] SGEN Antibody Targets, not counting potential substitutions of Approved SGEN Antibody Targets in accordance with Section 4.1.1.4. All SGEN Antibody Targets shall be [***].

4.1.1.2. First SGEN Antibody Target. The first SGEN Antibody Target had been defined in the Original Agreement and is listed in Exhibit 4.1.1.2 (the "**First Approved SGEN Antibody Target**").

4.1.1.3. Second and Third SGEN Antibody Targets. SGEN shall nominate the second and third SGEN Antibody Targets (provided, that SGEN shall be obligated to nominate the [***] but shall not be obligated to nominate the [***]) by [***], or such other time period as unanimously decided by the JSC, in each case. Each SGEN Antibody Target will be nominated in accordance with the Target gatekeeping procedure as set forth in Section 4.1.1.5. The second SGEN Antibody Target clearing such procedures shall be the "**Second Approved SGEN Antibody Target**" and shall be added to Exhibit 4.1.1.3(a). The third SGEN Antibody Target clearing such procedures shall be the "**Third Approved SGEN Antibody Target**" and shall be added to Exhibit 4.1.1.3(b).

4.1.1.4. Target Swap.

(a) SGEN shall have the right, [***], to [***] the [***] with a [***] time during the first [***] months of the applicable Research Term of the [***] Research Candidates that include such Second Approved SGEN Antibody Target, [***]. Any Target swap under this Section 4.1.1.4 shall be subject to the Target gatekeeping procedure as set forth in Section 4.1.1.5. Upon a successful swap, the replacement SGEN Antibody Target shall be referred to as the Second Approved SGEN Antibody Target. Upon a successful target swap, (i) SGEN shall immediately [***].

(b) The Target swap as set forth in Section 4.1.1.4(a) is referred to as an "**Allowed Target Swap**".

4.1.1.5. Target Gatekeeping Procedure.

(a) The Parties have previously entered into a tri-party agreement with the Gatekeeper. The Gatekeeper's identity and contact information is set forth in Exhibit 4.1.1.5 (a).

(b) SGEN shall submit its nomination for the second and any nomination for the third SGEN Antibody Target and for any Allowed Target Swap to the Gatekeeper in writing during the timeframes set forth in in Section 4.1.1.3, 4.1.1.4(a) or Section 4.1.1.5, as applicable. [***] pursuant to this Section 4.1.1.5, SGEN may submit up to [***]. The Gatekeeper shall, within [***] Business Days, provide SGEN and PIRS the [***] of proposed SGEN Antibody Targets that are [***] in the Research Collaboration (i.e., the [***] of such proposed Antibody Targets that do not appear on the Restricted Research Candidate Target List). SGEN may [***] up to [***] proposed SGEN Antibody Targets [***], provided that if the Gatekeeper reports that [***] of the proposed SGEN Antibody Targets are free for use in the Research Collaboration, then SGEN may submit up to [***] additional proposed SGEN Antibody Targets to the Gatekeeper for [***] as set forth herein. Furthermore, if there is at least [***] proposed SGEN Antibody Target free for use in the Research Collaboration, then SGEN shall submit from such list of [***] proposed SGEN Antibody Targets until one of them gets approved by the Gatekeeper.

(c) The Gatekeeper shall, within [***] Business Days, notify SGEN whether such nominated SGEN Antibody Target is free for use in the Research Collaboration (i.e., such SGEN Antibody Target does not appear on the Restricted Research Candidate Target List), in which case it would become the Second Approved SGEN Antibody Target or the Third Approved SGEN Antibody Target, as applicable, as of the date of such notice. If the Target is free for use, the Gatekeeper shall also inform PIRS within such [***] Business Day period.

(d) If the Gatekeeper declined a nominated SGEN Antibody Target because such Target appears on the Restricted Research Candidate Target Combination List, then SGEN may decide to (a) disclose such nominated SGEN Antibody Target to PIRS and discuss with PIRS in good faith whether and under what terms such nominated SGEN Antibody Target could be included in the Collaboration, or (b) nominate an alternative SGEN Antibody Target (provided, that SGEN shall be obligated to nominate an alternative for the [***] but shall not be obligated to nominate an alternative for the [***] SGEN Antibody Target) within [***] days of notification by the Gatekeeper with the process set forth in this Section 4.1.1.5 repeating.

4.1.2. Research Candidate Plan.

4.1.2.1. Research Candidate Plan. The Parties shall establish a Research plan for the [***] Research Candidates associated with a particular SGEN

plan for the [***] Research Candidates associated with a particular SGEN

Antibody Target, which may be supplemented and amended from time to time by the JSC, as described in Section 3.1 (each, a "**Research Candidate Plan**"). Each Research Candidate Plan shall include a workplan and budget for the activities to be conducted by each Party for the Research Candidates during the applicable Research Term. The Parties shall endeavor to ensure that each Research Candidate Plan is at all times be in compliance with all applicable Laws and in accordance with professional and ethical standards customary in the biopharmaceutical industry.

4.1.2.2. First Approved SGEN Antibody Target Research Candidate Plan. The initial Research Candidate Plan for the Research Candidates that include the First Approved SGEN Antibody Target is attached hereto as Exhibit 4.1.2.2 (as a reference for future resource requirements for the Research Candidate Plans for the Second and Third Approved SGEN Antibody Target).

4.1.2.3. Second and Third Approved SGEN Antibody Target Research Candidate Plan. The Parties shall, within [***] days of notification by the Gatekeeper of the availability of a nominated SGEN Antibody Target for use in the Collaboration, prepare an initial Research Candidate Plan for the Second and Third Approved SGEN Antibody Target, as applicable, each of which shall be attached hereto as Exhibit 4.1.2.3(a) and Exhibit 4.1.2.3(b), respectively. The Parties shall discuss and agree in good faith the dates on which the work under each Research Candidate Plan will commence, taking into account resource availabilities of each Party, provided, however, that (i) work under the Research Candidate Plan for the Second Approved SGEN Antibody Target shall begin no later than [***] of availability of such Research Candidate Plan, and (ii) neither Party shall be obligated to commit resources to work under the Research Candidate Plan for the Third Approved SGEN Antibody Target until [***] months after work under the Research Candidate Plan for the Second Approved Antibody Target has been started (but each Party shall use Commercially Reasonable efforts to initiate work under such Research Candidate Plan as soon as feasible). In the event of an Approved Target Swap, a new Research Candidate Plan for the new Approved SGEN Antibody Target shall be prepared within [***] days of notification by the Gatekeeper of availability of a nominated SGEN Antibody Target for use in the Research Collaboration.

4.1.3. Research Term Collaboration Obligations.

4.1.3.1. Each Party shall provide to the other written reports regarding the progress and results of their activities under the Research Candidate Plan

the progress and results of their activities under the Research Candidate Plan

through the JSC. Each Party shall (and shall cause its Affiliates, subcontractors and consultants to) maintain complete and accurate records (in the form of technical notebooks and/or electronic files where appropriate) of all work conducted by it or on its behalf (including by its Affiliates, subcontractors, and consultants) under the Research Candidate Plan. Such records, including any electronic files, shall fully and properly reflect all work done and results achieved in sufficient detail and in a good scientific manner appropriate for patent and regulatory purposes. To the extent not already provided via the JSC, each Party shall have the right to review and receive a copy of such records maintained by the other Party (including its Affiliates, subcontractors, and consultants) at reasonable times, but no more than twice in any one Calendar Year, and to obtain access to source documents to the extent needed for patent and regulatory purposes or for other legal proceedings.

4.2. Research Funding.

4.2.1. In connection with PIRS' Research and Manufacturing activities under the Research Candidate Plans, SGEN shall be responsible for all PIRS Out-of-Pocket Costs in an amount not to exceed [***] Dollars ($[***]) per Research Candidate Plan (such cap may be amended by mutual agreement) and PIRS internal FTE Costs in an amount not to exceed [***] Dollars ($[***]) in the aggregate (across all Research Candidate Plans). For the avoidance of doubt, PIRS shall not be obligated to (i) spend Out-of-Pocket Costs in excess of the above mentioned cap without written agreement by SGEN to cover such additional Out-of-Pocket Costs, and (ii) deploy more internal FTE resources than those included in the Research Candidate Plan for the First Approved SGEN Antibody Target (attached hereto as Exhibit 4.1.2) and similar levels of internal FTE resources for each of the Research Candidate Plans for the Second and Third Approved SGEN Antibody Target.

4.2.2. PIRS shall provide an invoice to SGEN within [***] days of the end of each Calendar Quarter setting forth the Out-of-Pocket Costs as well as PIRS internal FTE Costs expended in connection with PIRS' activities under an approved Research Candidate Plan for each such Calendar Quarter; SGEN shall provide payment of such Costs to PIRS within [***] days of recipient of such invoice.

4.3. Collaboration Products and Additional Collaboration Products.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

4.3.1. Collaboration Products. There will be up to [***] Collaboration Products, i.e., [***] for each SGEN Antibody Target, unless SGEN exercises [***] or more Additional Collaboration Product Option(s) pursuant to this Section 4.3, in which case there will be up to [***] Collaboration Products.

4.3.2. Additional Collaboration Product Option. Subject to the terms and conditions of this Section 4.3, SGEN shall have the option to add up to [***] additional Collaboration Products (each, an "Additional Collaboration Product") to this Agreement by providing notice with respect to a Compound meeting the requirements of this Section 4.3 and during the time periods set forth in this Section 4.3 (such option the "Additional Collaboration Product Option").

4.3.3. Identity of the Additional Collaboration Products. The Additional Collaboration Products shall each be a Compound which (i) is a Dormant Candidate, and (ii) for which PIRS has not already initiated a Competing Research Product as permitted under Section 9.2.

4.3.4. Additional Collaboration Product Option Exercise.

4.3.4.1. SGEN may exercise the Additional Product Option by providing written notice to PIRS identifying the Dormant Candidate for which SGEN seeks to exercise the Additional Collaboration Product Option (the "Additional Collaboration Product Option Exercise Notice").

4.3.4.2. Within [***] days of receipt of the Additional Collaboration Product Option Exercise Notice, PIRS shall inform SGEN as to whether or not a Competing Research Candidate as described in Section 4.3.3 exists (as of the date of receipt of the Additional Collaboration Product Option Exercise Notice) and, if an authorized officer of PIRS certifies that there is such a Competing Research Candidate, SGEN shall not be permitted to designate that Dormant Candidate as an Additional Collaboration Product.

4.3.4.3. On the date of notice from PIRS that there is no Competing Research Candidate with respect to the Dormant Candidate, the applicable Dormant Candidate shall become an Additional Collaboration Product (the date of such notice, the "Additional Collaboration Product Effective Date"). As of the Additional Collaboration Product Effective Date, such Dormant Candidate shall be considered a Collaboration Product under this Agreement.

4.3.5. Additional Collaboration Product Option Exercise Fee. With respect to each Additional Collaboration Product SGEN shall pay the [***] and the Additional Collaboration Product Option Exercise Fee set forth in Section 7.3 within [***] days of the Additional Collaboration Product Effective Date.

4.3.6. Additional Collaboration Product Diligence. If at any time there is more than one Collaboration Product that includes the [***], then Commercially Reasonable Efforts regarding the Development and Commercialization of such Collaboration Products will be determined for [***] Collaboration Products [***], meaning that if activities performed for [***] Collaboration Products are deemed to satisfy Commercially Reasonable Efforts for diligence, then the other Collaboration Product(s) shall [***] have been performed for such other Collaboration Product(s), provided, however, once a first Pivotal Clinical Study had been initiated for one of the Collaboration Products, then for each such other Collaboration Product (i) SGEN must initiate a [***] within [***] of completion of such first Pivotal Clinical Study, and (ii) thereafter, there cannot be a [***] conducted by SGEN for each such other Collaboration Product for a period of more than [***] years, provided that in each case the timeframe may be reasonably extended to account for one or more material delays outside of SGEN's reasonable control due to a Regulatory Authority's actions (or inaction), provided that SGEN shall provide sufficient documentation to PIRS to substantiate the basis for such material delay(s). In the event that SGEN fails to comply with either of the diligence obligations set forth in (i) and (ii) above, then such other Collaboration Product shall cease to be a Collaboration Product and as of the applicable time shall be deemed a [***]. For the purposes of this Section 4.3.6, "Significant Study" shall mean any GLP Tox Study or Clinical Study.

4.4. Development.

4.4.1. Generally.

4.4.1.1. Following [***], SGEN shall be responsible for all subsequent Research, Development and Commercialization of each Collaboration Product unless and until, where applicable, PIRS exercises a PIRS CoPro Option as described below with respect to the Detailing of one Collaboration Product in the CoPro Territory. SGEN shall be responsible for all costs associated with the Research, Development, Manufacture, and Commercialization of Collaboration Products, subject to the Co-Promotion Agreement, if any. Subject to the Co-Promotion Agreement, if any, in the

Agreement, if any. Subject to the Co-Promotion Agreement, if any, in the

event that SGEN requests and PIRS agrees to perform activities for the Research, Development, Manufacture or Commercialization of a Collaboration Product, then [***].

4.4.1.2. With respect to each Research Candidate for which SGEN has not paid the Go/No-Go Fee within [***] days of the conclusion of the Research Term for such Research Candidate, SGEN shall not Research, Develop, Manufacture, or Commercialize such Research Candidate (which will become a Dormant Candidate at such time) and all licenses from PIRS to SGEN with respect to such Dormant Candidate shall terminate (for clarity, once a Dormant Candidate becomes an Additional Collaboration Product then it shall be a Collaboration Product for purposes of the license grant under Section 2.1). Notwithstanding the foregoing, for so long as SGEN is Researching, Developing, Manufacturing or Commercializing a Collaboration Product with the same SGEN Building Block, then it shall be permitted to use Dormant Candidates comprising that SGEN Building Block, but only as an experimental control in *in vitro* or *in vivo* assays directed to the Development of a Collaboration Product including the same SGEN Building Block.

4.4.2. PIRS CoPro Option.

4.4.2.1. PIRS CoPro Option. PIRS shall have—and SGEN hereby grants to PIRS as of the Effective Date—the exclusive option (exercisable in PIRS' sole discretion) to opt into co-promotion as set forth herein with respect to [***] Collaboration Product (the "PIRS CoPro Option"), which co-promotion shall consist of the right to provide [***] percent ([***]%) of the of the total number of Sales Representatives for the Detailing of the CoPro Product in the Co-Pro Territory. If PIRS exercises the PIRS CoPro Option in accordance with the procedure set forth below, then upon the PIRS CoPro Option Exercise Effective Date, the relevant Collaboration Product would then become a CoPro Product (and, for clarity, would remain a Collaboration Product).

4.4.2.2. PIRS CoPro Option Notice. Pursuant to the applicable guidelines set forth in Section 4.4.2.3, for applicable Collaboration Products, SGEN may or shall (depending on the Collaboration Product) issue a written notice ("Option Notice") triggering a PIRS CoPro Option promptly following the [***] for the applicable Collaboration Product. If SGEN intends to issue an Option notice, on a rolling basis beginning [***] days prior to the anticipated [***] (such timepoint to be reasonably estimated by SGEN), to the extent not already provided to PIRS pursuant to

estimated by SGEN), to the extent not already provided to PTRS pursuant to

Section 2.5.2.3 or otherwise, and as it becomes available, SGEN shall (with respect to the applicable Collaboration Product) provide to PIRS: (a) all Key Data for all Clinical Studies conducted prior to the [***] in the form then available (including the final CSR for Clinical Studies, for which it is available), (b) documentation of all substantive interactions with the FDA as well as material Regulatory Materials (e.g. the IND), (c) a written report on the market potential for such Collaboration Product in the CoPro Territory, including the competitive landscape with a form and content as decided by SGEN, but no less detailed than the report that SGEN has prepared for its internal use, (d) an estimate of the number of Sales Representatives required to Detail the Collaboration Product in the CoPro Territory, provided that such estimate shall not be binding but may serve as a basis for negotiating the Co-Promotion Agreement, and (e) a plan for the Collaboration Product outlining Pivotal Clinical Studies (beyond the first Pivotal Clinical Study) for the following [***] years that are aimed at obtaining Marketing Approval or expanding the label for such Collaboration Product in the CoPro Territory (the "CoPro Product Plan"). For clarity, SGEN will use Commercially Reasonable Efforts to provide any such information described in the preceding sentence during such [***] day period, and, at the latest, [***] the Option Notice; provided that SGEN will not be obliged to generate any such information solely for the purpose of complying with this Section. If an Option Notice is issued, PIRS must exercise a PIRS CoPro Option in writing within [***] Business Days following the later of (i) PIRS' receipt of the Option Notice, and (ii) PIRS' receipt of the data and information described in this Section 4.4.2.2 (a) - (e) above (the date of such written notice by PIRS being the "PIRS CoPro Option Exercise Effective Date").

4.4.2.3. Option Notice Procedures. SGEN may, in its sole discretion, issue an Option Notice for the [***] Collaboration Product to reach the [***], but must (unless PIRS exercised a PIRS CoPro Option as to the [***] Collaboration Product) do so for the [***] Collaboration Product to reach the [***]. For clarity, (i) if SGEN issues an Option Notice for the [***] Collaboration Product to reach the [***] but PIRS does not exercise a PIRS CoPro Option, SGEN will be obligated to issue an Option Notice as to the [***] Collaboration Product to reach the [***] and (ii) if SGEN issues an Option Notice for the [***] Collaboration Product to reach the [***] but PIRS does not exercise a PIRS CoPro Option, SGEN shall not be obligated to issue an Option Notice as to the [***] Collaboration Product to reach the [***].

4.4.3. Regulatory Matters.

4.4.3.1. Ownership. SGEN will own all IND/IMPDs, BLAs, MAAs, Regulatory Approvals and Regulatory Materials, including any related regulatory documentation submitted to any Competent Authority, in the Territory with respect to any Collaboration Product.

4.4.4. Communications.

4.4.4.1. With respect to each Collaboration Product, within two (2) Business Days after receipt of any Health Authority Communications from a Competent Authority related to a Clinical Study hold or potential Clinical Study hold for safety reasons or for a potential withdrawal from the market for a safety issue or a report of a serious safety finding by a Competent Authority, the recipient Party will provide the other Party, through its Alliance Manager, with a brief written description of the principal issues raised in such Health Authority Communication.

4.4.4.2. Meetings. Following the PIRS CoPro Option Exercise Effective Date, SGEN shall provide PIRS with reasonable advance notice of all formal meetings and teleconferences with the FDA and pertaining to a CoPro Product (other than meetings or teleconferences related to pricing approval), or with as much advance notice as practicable under the circumstances. SGEN shall use reasonable efforts to permit PIRS to have, at PIRS' expense, mutually acceptable representatives attend as silent observers, such formal meetings and teleconferences with FDA pertaining to such CoPro Product.

4.4.4.3. Submissions. With respect to the CoPro Product, SGEN shall share with PIRS the relevant portions of the BLA for such CoPro Product, at SGEN's reasonable discretion, in order for PIRS to review and consult SGEN on such BLA.

4.5. Subcontractors. Each Party will have the right to use its Affiliates or Third Parties to perform the Research, Development, Manufacturing, or Commercialization activities for the benefit of such Party under this Agreement; provided that: (a) such Party remains responsible for the work allocated to such Party hereunder (including under each Research Candidate Plan or Co-Promotion Plan) to the same extent it would if it had done such work itself; and (b) such Party will enter into a binding written agreement with each such Affiliate and/or Third Party, prior to commencing such activities, which agreement includes the following terms (i) the subcontractors undertake in writing obligations of confidentiality and non-use

subcontractors undertake in writing obligations of confidentiality and non-use

regarding Confidential Information that are substantially the same as those undertaken by the Parties pursuant to Section 11 (except for a commercially reasonable term for confidentiality obligations), and (ii) such Party Controls all Intellectual Property Rights developed by the subcontractors in the course of performing any such work and owns all such intellectual property that is specifically related to, or otherwise necessary for Research, Development, Manufacture, or Commercialization of a Collaboration Product, which includes, prior to commencing any such activities, having such subcontractor execute an agreement licensing or assigning (or committing to sublicense or assign), as applicable, any inventions and related Intellectual Property Rights to the Party by whom they are employed or for whom they are providing services (or its designated Affiliate). Notwithstanding the foregoing in this Section 4.5, where the Third Party is an academic or academic institution, the Parties shall consider in good faith to agree to waive clause (ii); for all other Third Parties, the Parties must mutually consent to waive or limit clause (ii), such consent not to be unreasonably withheld.

5. Manufacturing

5.1. Research Candidate Supply. For each Research Candidate, PIRS shall be responsible for providing Initial Quantities of such Research Candidates under a mutually-agreed timeline and as set forth in the applicable Research Candidate Plan. PIRS shall also be responsible for providing additional quantities of such Research Candidate in a reasonable amount, as agreed by the JSC, during the first [***] months of the applicable Research Term. For avoidance of doubt, and subject to Section 4.2, SGEN shall be responsible for the FTE Costs and Out-of-Pocket Costs associated with providing such Initial Quantities or such additional quantities of the Research Candidates. For further avoidance of doubt, PIRS shall not be required to conduct any cell line development work, research cell bank or master cell bank generation activities and SGEN shall be responsible for such activities for each Research Candidate and Collaboration Product.

5.2. Collaboration Product Supply. Subject to the terms and conditions of this Agreement, SGEN shall be solely responsible, at its own expense, for the Manufacture and supply of any Collaboration Product.

6. Commercialization

6.1. Generally. Subject to the PIRS Co-Pro Option, SGEN shall be solely responsible for and have sole control over all aspects of the Commercialization of the Collaboration Products in the Territory, including planning and implementation, distribution, branding, promotion, booking of sales, pricing, reimbursement, and costs. Without limiting the foregoing, with respect to a CoPro Product, SGEN will

costs. Without limiting the foregoing, with respect to a CoFo Product, SGEN will

have the sole right to determine (i) pricing and discounting for the Co-Pro Product in the CoPro Territory, and (ii) [***]. Notwithstanding the foregoing, [***]; provided that [***].

6.2. CoPro Products.

6.2.1. Co-Promotion Agreement. Within [***] days after the PIRS CoPro Option Exercise Effective Date, if any, the Parties shall negotiate in good faith an agreement to define the Parties' responsibilities with respect to Detailing the CoPro Product in the CoPro Territory (the "Co-Promotion Agreement"). Appended to the Co-Promotion Agreement shall be an initial plan setting forth (a) the activities to be performed by the Parties' Sales Representatives with respect to Detailing the CoPro Product in or for the CoPro Territory, (b) a mechanism to ensure that the Parties hire and maintain Sales Representatives of sufficient number and expertise to permit the Parties to fully perform the activities allocated to them under this ARTICLE 6, including core job descriptions (e.g., responsibilities, core competencies, experience and other qualifications) of Sales Representatives, including the ability of SGEN to deploy additional Sales Representatives to the extent PIRS does not achieve such goal, a methodology for demonstrating proficiency, and time points at which progress against hiring goals will be measured, provided that such hiring plan shall be reasonably practicable taking into account the time between the [***] and the anticipated first Detailing of the CoPro Product in the CoPro Territory [***], (c) procedures for monitoring Sales Representatives in the CoPro Territory, and (d) training programs for such Sales Representatives ("Co-Promotion Plan"). The Co-Promotion Agreement shall include:

6.2.1.1. Size and Deployment of Sales Force. SGEN shall in its reasonable discretion determine the total size of the Sales Representative force for the Co-Pro Product in the CoPro Territory and the deployment of the Parties respective Sales Representatives; provided always that PIRS shall have the right to provide [***] percent ([***]%) of the total number of Sales Representatives in the CoPro Territory pursuant to Section 4.4.2.1.

6.2.1.2. Compliance. All activities conducted by Sales Representatives in the CoPro Territory shall be undertaken in accordance with (a) all applicable Laws and (b) the compliance practices, policies and procedures of SGEN; provided, however, that neither Party or its personnel will be required to undertake any obligation in connection with such activities to the extent that such Party reasonably believes in good faith that such

the extent that such Party reasonably believes in good faith that such

activities violate or are reasonably likely to violate applicable Law or such Party's written policies regarding the promotion of pharmaceutical products (and any such deviations made by a Party shall not be considered a material breach of this Agreement). Each Party agrees to make available to the other Party such information regarding its Sales Representatives and their activities in or for the CoPro Territory as may be provided in the Co-Promotion Plan or otherwise reasonably required in order for each Party to monitor compliance with this Agreement, the Co-Promotion Agreement and applicable Law.

6.2.1.3. Reimbursement. An obligation for SGEN to reimburse PIRS for its FTE Costs (to be defined in the Co-Promotion Agreement) at an FTE Rate (agreed in good faith and consistent with the market rate for sales representatives for similar products in the CoPro Territory, to be further defined in the Co-Promotion Agreement) for its Sales Representatives for activities allocable to the Detailing (or preparation thereof) of the CoPro Product in the CoPro Territory as of the PIRS CoPro Option Exercise Effective Date.

6.2.1.4. Training. All Sales Representatives performing Detailing for the CoPro Product in the CoPro Territory must complete, prior to performing such activities and on an ongoing basis, the applicable mandatory training program(s) developed by SGEN and described in the Co-Promotion Plan. SGEN shall develop such training at its sole cost and will reimburse PIRS for the costs associated with participation by PIRS Sales Representatives.

6.2.2. Promotional Materials. Each Parties' Sales Representatives shall use only those Promotional Materials that have been prepared or otherwise approved by SGEN and all uses thereof shall be in accordance with usage and branding guidelines provided by SGEN. All Promotional Materials will be prepared at SGEN's expense.

6.2.3. [***]

6.2.4. No Sublicensing or Subcontracting. Notwithstanding Section 4.5, but subject to Section 16.4, PIRS may not assign, sublicense or subcontract any of its rights or responsibilities allocated to PIRS Sales Representatives in the Co-Promotion Plan, in whole or in part, to any Third Party without SGI's prior written consent.

6.2.5. Responsibility for Acts and Omission of Personnel. Each Party shall be solely responsible for: (a) the acts and omissions of its Sales Representatives, while performing any of the activities to be performed by such Party under this Agreement; and (b) all disciplinary, probationary and termination actions taken by it, as well as for the formulation, content, and for the dissemination (including content) of all human resources policies and rules (including written disciplinary, probationary and termination policies) applicable to any members of its personnel. Each Party shall comply with all Applicable Laws in the hiring, employment, and discharge of all members of its personnel.

6.2.6. Employment of Personnel. Without prejudice to the reimbursement of costs contemplated by Sections 6.2.1.3 and 6.2.1.4, each Party acknowledges and agrees that all matters of compensation, benefits and other terms of employment for all Sales Representatives of such Party are solely between such Party or its Affiliate and such individual. Each Party shall be solely responsible and liable for the payment of all compensation and benefits to its Sales Representatives, and each Party acknowledges and agrees that neither Party will maintain or procure any worker's compensation, healthcare, or other insurance for or on behalf of the other Party or its personnel, all of which shall be the sole responsibility of the Party to which such person is employed or engaged. Without limiting the foregoing, a Party shall not be responsible to the other Party, or to any member of the other Party's Sales Representatives, for any compensation, expense reimbursements, benefits, or payroll-related taxes or withholdings that may be imposed upon or be related to the performance by individuals employed or engaged by such other Party, all of which shall be the sole responsibility of the Party to which such person is employed or engaged, even if it is subsequently determined by any court or Government Authority that any such individual may be an employee or a common law employee of the other Party or any of its Affiliates, or is otherwise entitled to such payments and benefits.

6.2.7. Non-Compliance by Field Force. In the event that a Party has a reasonable basis for believing (*i.e.*, based on evidence or other reasonable substantiation) that any personnel of the other Party or any of its Affiliates may have violated any applicable Law or failed to comply with this Agreement, the Co-Promotion Agreement or the Co-Promotion Plan, or is otherwise damaging relationships with any health care professional or health care organization, or the Co-Pro Product brand, in each case, in connection with activities performed by such personnel in the CoPro

Territory pursuant to this Agreement, then such Party shall promptly notify the other Party in writing of such belief and the basis therefor. Following such notification and a reasonable opportunity to investigate the relevant facts, the Parties shall meet to discuss such belief and basis. The notified Party shall take such actions as are reasonable under the circumstances in response to the notifying Party's justified concerns, including, if necessary, excluding such individual from Co-Pro Product-related activities. For clarity, the foregoing shall not limit any rights or remedies of a Party hereunder.

6.2.8. Termination of U.S. Rights. PIRS may terminate its rights and activities with respect to the Co-Pro Product in the CoPro Territory under this ARTICLE 6 by providing SGEN at least [***] months' prior written notice, unless PIRS disagrees with SGEN's level of emphasis of the Co-Pro Product as part of a Detail under Section 6.1, in which case only [***] prior written notice shall be required. Any such termination shall be with respect to PIRS' rights under this ARTICLE 6 in their entirety, and, for clarity, PIRS shall not have any additional PIRS CoPro Option with respect to any other Collaboration Product hereunder.

7. Payments & Royalties

7.1. Prior Fees. The Parties acknowledge that the one-time Technology Access Fee has been paid to Pieris in connection with execution of the Original Agreement. Such Technology Access Fee remains non-refundable pursuant to the Original Agreement and is not listed in this Agreement.

7.2. Combination Study Agreement. Concurrently with this Agreement, the Parties have entered into a combination study agreement (the "Combination Study Agreement" or "CSA"). The CSA is attached to this Agreement as Exhibit 7.2.

7.3. Share Purchase Agreement. Concurrently with this Agreement, the Parties have entered into a subscription agreement (the "Subscription Agreement"). The Subscription Agreement is attached to this Agreement as Exhibit 7.3.

7.4. Additional Collaboration Product Option Exercise Fee. On an Additional Collaboration Product-by-Additional Collaboration Product basis, SGEN shall pay the fee set forth below in Section 7.4.1, Section 7.4.2, or Section 7.4.3, as applicable, within [***] days following receipt of the corresponding invoice from PIRS after the Additional Collaboration Product Effective Date (the "Additional Collaboration Product Option Exercise Fee"). The Additional Collaboration

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

Product Option Exercise Fee shall be a one-time, non-refundable, and non-creditable lump sum payment.

7.4.1. The Additional Collaboration Product Option Exercise Fee for the [***] Additional Collaboration Product shall be [***] Dollars ($[***]).

7.4.2. The Additional Collaboration Product Option Exercise Fee for the [***] Additional Collaboration Product shall be [***] Dollars ($[***]).

7.4.3. The Additional Collaboration Product Option Exercise Fee for the [***] Additional Collaboration Product shall be [***] Dollars ($[***]).

7.5. Go/No-Go Fee for Additional Collaboration Products. For avoidance of a doubt, on an Additional Collaboration Product-by-Additional Collaboration Product basis, SGEN shall pay to PIRS the Go/No-Go Fee in addition to the Additional Collaboration Product Option Exercise Fee. The Go/No-Go Fee with respect to each Additional Collaboration Product shall be due at the same time as the Additional Collaboration Product Option Exercise Fee.

7.6. Development and Regulatory Milestones. In partial consideration for the rights granted under this Agreement regarding the Collaboration Products, in each case upon initial achievement of the applicable milestone by or on behalf of SGEN or its Sublicensees for each Collaboration Product, SGEN will pay PIRS the corresponding non-refundable (subject to Section 4.4.2.2.) and non-creditable lump sum payments set forth below.

[***]	Payment Amount		
	[***]	[***]	[***]
[***]	[***] Dollars ($[***])		
[***]	[***] Dollars ($[***])	[***]	[***]
[***]	[***] Dollars ($[***])		
[***]	[***] Dollars ($[***])	[***] Dollars ($[***])	[***] Dollars ($[***])
[***]	[***] Dollars ($[***])	[***] Dollars ($[***])	[***] Dollars ($[***])
[***]	[***] Dollars ($[***])	[***] Dollars ($[***])	[***] Dollars ($[***])
[***]	[***] Dollars ($[***])	[***] Dollars ($[***])	[***] Dollars ($[***])
[***]	[***] Dollars ($[***])	[***] Dollars ($[***])	[***] Dollars ($[***])

[***]	Payment Amount		
	[***]	[***]	[***]
[***]	[***] Dollars ($[***])	[***] Dollars ($[***])	[***] Dollars ($[***])
[***]	[***] Dollars ($[***])	[***] Dollars ($[***])	[***] Dollars ($[***])
Maximum Total	[***] Dollars ($[***])	[***] Dollars ($[***])	[***] Dollars ($[***])

7.7. Marketing Approval in Europe. Notwithstanding the above, with respect to each [***] or [***], whichever comes earlier.

7.8. Skipped Development and Regulatory Milestones. If any of the above development and regulatory milestones are skipped (i.e. a later milestone payment is payable before an earlier milestone payment in the same jurisdiction, if applicable), or if Marketing Approval is achieved in any jurisdiction with respect to a Collaboration Product without all of the preceding milestone payments applicable to such Product in such jurisdiction, if applicable, having been achieved, then the skipped milestone(s) will be deemed to have been achieved upon the achievement of the subsequent milestone or upon Marketing Approval, as applicable.

7.9. Sales Milestones. On a Collaboration Product-by-Collaboration Product basis, as partial consideration for the rights granted hereunder regarding such Collaboration Product, SGEN shall make the non-refundable, non-creditable, one-time sales milestone payments to PIRS based upon achievement of the following worldwide annual Calendar Year cumulative Royalty Bearing Net Sales for each such Collaboration Product.

Annual Calendar Year - Royalty Bearing Net Sales Threshold	Payment
First equal or exceeding [***] Dollars ($[***])	[***] Dollars ($[***])
First equal or exceeding [***] Dollars ($[***])	[***] Dollars ($[***])
First equal or exceeding [***] Dollars ($[***])	[***] Dollars ($[***])
Maximum Total	[***] Dollars ($[***])

For clarity, one or more of the above sales milestones may be achieved during the same Calendar Year.

7.10. Royalties.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

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7.10.1. Collaboration Product Royalties. On a Collaboration Product-by-Collaboration Product basis, as partial consideration for the rights granted hereunder regarding such Collaboration Product (including any Collaboration Product that is a CoPro Product), during the Royalty Term for each such Collaboration Product, SGEN shall pay PIRS royalties equal to the following percentages of the Royalty Bearing Net Sales of such Collaboration Product in a Calendar Year in the Territory ("**Collaboration Product Royalties**").

Annual Calendar Year Royalty Bearing Net Sales	Royalty Rates Owed by SGEN
Portion of Royalty Bearing Net Sales up to and including [***] Dollars ($[***])	[***] Percent ([***]%)
Portion of Royalty Bearing Net Sales greater than [***] Dollars ($[***]) to and including [***] Dollars ($[***])	[***] Percent ([***]%)
Portion of Royalty Bearing Net Sales greater than [***] Dollars ($[***]) up to and including [***] Dollars ($[***])	[***] Percent ([***]%)
Portion of Royalty Bearing Net Sales greater than [***] Dollars ($[***])	[***] Percent ([***]%)

7.10.2. Additional CoPro Product Royalties. For the CoPro Product (and not any other Collaboration Product), as partial consideration for the rights granted hereunder regarding such CoPro Product and in addition to the royalties set forth above in Section 7.10.1 for such CoPro Product, for as long as PIRS Sales Representatives are Detailing such CoPro Product in the CoPro Territory in accordance with the Co-Promotion Agreement, SGEN shall pay PIRS royalties equal to the following percentages of the Royalty Bearing Net Sales of such CoPro Product in a Calendar Year in the CoPro Territory ("**Additional CoPro Product Royalties**").

Annual Calendar Year Royalty Bearing Net Sales In the CoPro Territory	Incremental Royalty Rates Owed by SGEN
Portion of Royalty Bearing Net Sales in the CoPro Territory up to and including [***] Dollars ($[***])	[***] Percent ([***]%)
Portion of Royalty Bearing Net Sales in the CoPro Territory greater than [***] Dollars ($[***]) to and including [***] Dollars ($[***])	[***] Percent ([***]%)

Portion of Royalty Bearing Net Sales in the CoPro Territory greater than [***] Dollars ($[***])	[***] Percent ([***]%)

8. Royalty Adjustments, Payment Terms & Reconciliation

8.1. Royalty Adjustments.

8.1.1. Biosimilar Drug Competition. Subject to Section 8.1.3, if in any Calendar Quarter total sales of any Biosimilar(s) of a Collaboration Product in any country reaches more than [***] percent ([***]%) in units of the total sales of the applicable Collaboration Product and the Biosimilar(s) in such country, then the Royalties payable to PIRS for such Collaboration Product in such country for such Calendar Quarter shall be reduced by [***] percent ([***]%) of the amount otherwise payable hereunder. Notwithstanding the foregoing, in the event of Biosimilar sales that are later enjoined by a court or otherwise halted (such as on the basis of patent or regulatory exclusivity), then subsequent Royalties shall be restored to the level otherwise contemplated under this Agreement.

8.1.2. Third Party Licenses. If it is necessary for SGEN to license one or more Patent Rights from one or more Third Parties in order to Develop, Manufacture or Commercialize the Anticalin Building Block of any Collaboration Product (but excluding Patents owned or Controlled by a Third Party service provider selected by SGEN, such as a CMO, and Patents related to any aspect or use of the Antibody Building Block) whether directly or through any Affiliate or Sublicensee, in the Territory, then SGEN may negotiate and obtain a license under such Patent Right(s) (each such Third Party license referred to herein as a "Third Party License"). If any royalty payments are due to a Third Party pursuant to a Third Party License or in the context of proceedings brought by any Third Party alleging that one or more Patent Rights of such Third Party is infringed by the Development, Manufacture, Commercialization or use of the Anticalin Building Block of any Collaboration Product in the Field under this Agreement, then subject to Section 8.1.3, SGEN may deduct [***] percent ([***]%) of such payment(s) from the Royalties associated with such Collaboration Product otherwise payable under Section 7.10, but in no event shall Royalties be reduced by greater than [***] percent ([***]%) under this Section 8.1.2. For avoidance of doubt, SGEN shall be responsible for any Third Party license payments associated with a SGEN Antibody Target or a SGEN Building Block, without any reduction of the Royalties payable to PIRS under Section 7.10. For avoidance of doubt, nothing this Section 8.1.2

precludes SGEN from negotiating and obtaining any licensee it deems necessary or desirable in connection with any Collaboration Product.

8.1.3. Maximum Deduction. Notwithstanding anything to the contrary herein, under no circumstances shall the combined effect of all reductions to the Royalties permitted under Section 8.1.1 and Section 8.1.2, on a country-by-country and Collaboration Product-by-Collaboration Product basis, reduce the effective Royalties payable by SGEN to PIRS under this Agreement for any Calendar Quarter below [***] percent ([***]%) of the Royalties that would otherwise be payable pursuant to Section 7.10, as applicable, for such Collaboration Product in such country.

8.2. Sales Payment Reports and Royalty Payments. After the First Commercial Sale by the Seller of a Collaboration Product requiring the payments due to PIRS pursuant to Section 7 and ending, on a Collaboration Product-by-Collaboration Product basis, following the last to expire Royalty Term with respect to such Collaboration Product, SGEN shall send to PIRS within [***] days after the end of each Calendar Quarter (a) a written report which shall state, for the previous Calendar Quarter, on a country-by-country and Collaboration Product-by-Collaboration Product basis, the description of the Collaboration Product sold, the corresponding amount of gross sales of Collaboration Products, an itemized calculation of Net Sales showing deductions provided for in the definition of Net Sales and the calculation of any milestones fees and Royalties due, including any reductions made in accordance with this Agreement, as well as the exchange rate for such country, and (b) payment (in Dollars) of all royalty payments due to PIRS hereunder for such Calendar Quarter.

8.3. Payment Terms.

8.3.1. Generally. All payments made by a Party under this Agreement ("Paying Party") shall be made in immediately available funds by wire transfer to such bank and account as may be designated from time to time by the other Party. Except as otherwise set forth herein, all other payments due under this Agreement will be paid within [***] days following receipt of an invoice requesting such payment. All invoices provided to the Paying Party hereunder shall include the other Party's bank details, the contact name for issue resolution and will be marked for the attention of the Alliance Manager.

8.3.2. Late Payments. Interest shall accrue on any late payment of fees owed to a Party not made on the date such payment is due, at an annual interest rate equal to the [***] percent ([***]%) above LIBOR per annum

interest rate equal to the [ ] percent ([ ]%) above LIBOR per annum

or the maximum applicable legal rate, if less, calculated on the total number of days such payment is delinquent.

8.3.3. Taxes and Withholding. All payments under this Agreement shall be made without any deduction or withholding for or on account of any tax, except as set forth in this Section 8.3.3. The Parties agree to cooperate with one another and use reasonable efforts to minimize under applicable Law obligations for any and all income or other taxes required by applicable Law to be withheld or deducted from any of the royalty and other payments made by or on behalf of the Paying Party hereunder ("Withholding Taxes"). The Paying Party shall, if required by applicable Law, deduct from any amounts that it is required to pay to the other Party hereunder an amount equal to such Withholding Taxes. Such Withholding Taxes shall be paid to the proper taxing authority for such other Party's account and, if available, evidence of such payment shall be secured and sent to the other Party within [***] days of such payment. The Paying Party shall, at the other Party's sole cost and expense, as mutually agreed by the Parties, do all such lawful acts and things, and sign all such lawful deeds and documents as such other Party may reasonably request to enable such other Party to avail itself of any applicable legal provision or any double taxation treaties with the goal of paying the sums due to such other Party hereunder without deducting any Withholding Taxes.

8.3.4. Conversions. With respect to amounts required to be converted into another currency for calculation of the Net Sales amount and the Royalty payments, such amount shall be converted using a rate of exchange which corresponds to the rate used by SGEN or PIRS, as applicable, for conversion between the relative currencies for its reporting period in its books and records that are maintained in accordance with Accounting Standards, as applicable, for its external reporting.

8.4. Record and Audit.

8.4.1. Generally. Each Party shall keep complete, true and accurate books of account and records for the purpose of determining the amounts payable under this Agreement (including, for avoidance of doubt, Third Party license payments). Such books and records shall be kept at the principal place of business of each Party, as the case may be, for at least [***] years (or such longer period as required by applicable Law) following the end of the Calendar Year to which they pertain (the "Audited Party") shall make such account and records available, on reasonable notice sent by the other Party (the "Auditing Party"), for inspection during normal business hours

Party (the "Auditing Party"), for inspection during normal business hours,

with not less than [***] Business Days' advance written notice, by an independent certified public accounting firm nominated by such and reasonably acceptable for the Audited Party, for the purpose of verifying the accuracy of any statement or report given by the Audited Party and to verify the accuracy of the payments due hereunder for any Calendar Year. Such auditor shall advise the Parties simultaneously promptly upon its completion of its audit whether or not the payments due hereunder have been accurately recorded, calculated, and reported, and, if not, then the amount of such discrepancy. A Party's financial records with respect to a given period of time shall only be subject to [***] audit per Calendar Year except in the case of willful misconduct or fraud. The Auditing Party's right to perform an audit pertaining to any Calendar Year shall expire [***] years after the end of such Calendar Year. The auditor shall be required to keep confidential all information learned during any such inspection, and to disclose to the Auditing Party only such details as may be necessary to report the accuracy of the Audited Party's statement or report. The Auditing Party shall be responsible for the auditor's costs, unless the auditor certifies that there was a variation or error of underpayment or overpayment of Shared Costs by the Auditing Party exceeding [***] percent ([***]%) of the amount stated for any period covered by the inspection, in which case all reasonable costs relating to the inspection for such period shall be borne by the Audited Party. If such accounting firm correctly identifies a discrepancy made during such period, any unpaid amounts or overpaid amounts that are discovered shall be paid/refunded promptly but in any event within [***] days of the date of delivery of such accounting firm's written report so correctly concluding, or as otherwise agreed upon by the Parties.

9. Diligence & Exclusivity

9.1. Diligence Obligation.

9.1.1. Generally. PIRS and SGEN shall use Commercially Reasonable Efforts to perform their respective activities contemplated by this Agreement with respect to the subject matter hereof, including but not limited to any activities under the then-current Research Candidate Plan, CoPro Product Plan, and any other plans or tasks approved by a Committee.

9.1.2. SGEN.

9.1.2.1. Generally. SGEN shall use Commercially Reasonable Efforts to Research and Develop each Research Candidate to achieve the [***]. SGEN shall further use Commercially Reasonable Efforts to Develop and

SGEN shall further use Commercially Reasonable Efforts to Develop and

Commercialize each (subject to Section 4.3.6) Collaboration Product in the Field, including Commercialization activities (such as booking sales) for each Collaboration Product Commercialized in the Territory. In particular, SGEN shall use Commercially Reasonable Efforts to Commercialize each Collaboration Product in the following: each [***] and the [***].

9.1.2.2. Collaboration Products.

(a) IND/IMPD Filing. For each Collaboration Product, SGEN shall file an IND/IMPD no later than [***] years after the [***] for such Collaboration Product. In the event of one or more material delays outside of SGEN's reasonable control (e.g., for technical, including manufacturing, scientific or regulatory reasons), then such [***] year period shall be reasonably extended to account for such delay(s), provided that SGEN shall provide sufficient documentation to PIRS to substantiate the basis for the material delay(s).

(b) Ongoing Clinical Studies. For each Collaboration Product, there shall not be a period of longer than [***] year during which there is no ongoing Clinical Study being conducted by SGEN for such Collaboration Product. In the event of one or more material delays outside of SGEN's reasonable control (e.g., for technical, including manufacturing, scientific or regulatory reasons), then such [***] year period shall be reasonably extended to account for such delay(s), provided that SGEN shall provide sufficient documentation to PIRS to substantiate the basis for the material delay(s).

(c) Remediation Plan. Notwithstanding anything to the contrary in this Section 9.1.2.2, if SGEN believes it will be unable to meet the timelines set forth under Section 9.2.1.2(a) or Section 9.2.1.2(b) above (as may be extended as set forth in such Sections), SGEN may notify PIRS of such belief, which notice shall contain a reasonably detailed explanation of the relevant facts and will include in reasonable detail, specific steps that SGEN will take to remedy the diligence failure within [***] year of the deadlines set forth under Section 9.2.1.2(a) or Section 9.2.1.2(b) above (as may be extended as set forth in such Sections), including a timeline for submitting an IND/IMPD or resuming Clinical Studies, as applicable (each a "Remediation Plan"), which Remediation Plan may be updated (but for clarity, not further extended) from time to time. SGEN shall use Commercially Reasonably Efforts to promptly carry out the Remediation Plan.

(d) Failure to Implement. Notwithstanding anything to the contrary in this Section 9.1.2.2, if SGEN fails to implement a Remediation Plan (including failing to meet a specified deadline contained therein for submitting an IND/IMPD or resuming Clinical Studies), as determined by the JSC, then, solely with respect to the applicable Collaboration Product, SGEN shall be required to terminate for convenience pursuant to Section 15.2.3 effective immediately. Notwithstanding Section 3.4.2, in the event the JSC cannot reach agreement as to whether SGEN has failed to implement a Remediation Plan, then such dispute shall be escalated to the Senior Executives followed by accelerated dispute resolution pursuant to Section 16.2.2 if the Senior Executives cannot resolve the issue within [***] days upon referral.

9.1.3. PIRS. PIRS shall use Commercially Reasonable Efforts to Research each Research Candidate. PIRS shall use Commercially Reasonable Efforts to conduct the activities allocated to PIRS Sales Representatives in the Co-Promotion Plan.

9.2. Non-Compete.

9.2.1. Research Candidate Exclusivity. On a Research Candidate-by-Research Candidate basis, during the Research Term with respect to such Research Candidate, each Party covenants not to Research, Develop, Manufacture, itself or with its Affiliate or any Third Party, a Competing Research Product with respect to such Research Candidate anywhere in the world except as expressly permitted under this Agreement.

9.2.1.1. [***]

9.2.1.2. Third Party Interest in Competing Research Product. Notwithstanding Section 9.2.1.1 above, and provided that no Joint IP, SGEN IP, SGEN Confidential Information, or other Data generated in connection with activities hereunder (but excluding Data that relates solely to the PIRS Building Block in the applicable Dormant Candidate) is used, PIRS may Research, Develop, Manufacture or Commercialize a Competing Research Product:

(a) immediately with respect to a Dormant Candidate if the Competing Research Product is initiated or requested by a [***] the applicable Research Candidate became a Dormant Candidate; or

(b) [***] months after the date the applicable Research Candidate became a Dormant Candidate if a [***], regardless of whether or not such [***] at the end of the applicable Research Term.

9.2.2. In the event that PIRS initiates the Research or Development of a Competing Research Product pursuant to Section 9.2.1.2, then PIRS shall provide written notice to SGEN within [***] days of such initiation, identifying the Target pairs of such Competing Research Product. As of the date of SGEN's receipt of such notice, SGEN shall also be permitted to Research, Develop, Manufacture, or Commercialize a Competing Research Product specific for the same Target pairs. Neither Party will have any further obligation to the other under this Agreement in connection with any Competing Research Product permitted under this Section 9.2.2, provided that SGEN uses no PIRS IP or PIRS Confidential Information (unless such PIRS Confidential Information is or becomes excluded pursuant to Section 11.4) and PIRS uses no SGEN IP or SGEN Confidential Information (unless such SGEN Confidential Information is or becomes excluded pursuant to Section 11.4) to Research, Develop, Manufacture or Commercialize such a Competing Research Product.

9.2.3. Dormant Candidate Forbearance. Neither Party shall be permitted to Research, Develop, Manufacture or Commercialize any Dormant Candidate.

9.2.4. Collaboration Product Exclusivity. On a Collaboration Product-by-Collaboration Product basis, during the Term, each Party covenants not to Research, Develop, Manufacture or Commercialize, itself or with any Third Party, any Competing Collaboration Product anywhere in the world except as expressly permitted under this Agreement, provided, however, that, after the [***] of a Collaboration Product, [***] will be permitted to begin Researching, Developing and Manufacturing Competing Collaboration Products for such Collaboration Product as part of customary lifecycle management.

9.2.5. Multispecific Products. If PIRS or SGEN (whether alone or with a Third Party) wish to Research, Develop, Manufacture or Commercialize a product, which product is not a Compound, Competing Research Product, or Competing Collaboration Product, and if such product binds to and modulates all of the same [***], in good faith, an amendment to include such product in this Agreement, at terms, including up-front financial terms, to be mutually agreed by the Parties in good faith.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

9.3. Effect of Acquisition. Notwithstanding Section 9.2, each Party acknowledges that the other Party (the "Concerned Party") may be acquired or merge with a Third Party or acquire a Third Party during the Term of this Agreement (such transaction, an "Acquisition Transaction", and such Third Party, the "Acquiror" or "Acquiree"). In such event, if the Acquiror or Acquiree (or a Third Party that is an Affiliate of such Acquiror or Acquiree prior to and following the date of such Acquisition Transaction) was Researching, Developing, Manufacturing or Commercializing one or more Competing Research Product(s) or Competing Collaboration Products prior to the closing of such Acquisition Transaction (each an "Acquired Competing Product"), subject to the Concerned Party's compliance with this Section 9.3, such Concerned Party shall be deemed not to be in breach of Section 9.2:

9.3.1. if it Divests to a Third Party or permanently discontinues the Research, Development, Manufacture, and Commercialization of the Acquired Competing Product within [***] months after the closing of the Acquisition Transaction;

9.3.2. if the Parties agree to contribute the Acquired Competing Product to the collaboration between the Parties on terms and conditions to be negotiated in good faith and that are mutually acceptable to the Parties, each in its respective sole discretion, with such agreement, if any, to be reflected in an amendment to this Agreement or a separate agreement to be entered into by and between the Parties within [***] months after the closing of the Acquisition Transaction; or

9.3.3. if it requires that, the Acquiror (or Acquiree) and its Affiliates existing as of the date of the Acquisition Transaction (excluding the Concerned Party and its Affiliates) continue to Research and Develop (including Manufacture thereof solely for such Development purposes) such Acquired Competing Product without the participation or use of assets (including employees) owned or employed by the Concerned Party prior to the Acquisition Transaction, provided that, in the event the Concerned Party elects to proceed in accordance with this Section 9.3.3 no later than [***] months following the completion of the first [***] for such Product, and in any event and under all circumstances prior to any Commercialization of such Acquired Competing Product anywhere in the world, the Concerned Party shall elect, and shall complete, one of the options set forth in the foregoing Section 9.3.1, and Section 9.3.2 above with respect either to the Acquired Competing Product (i.e., if the Concerned Party elects Section 9.3.1 or Section 9.3.2) or the Compound corresponding thereto, as

applicable. For clarity, any Commercialization of the Acquired Competing Product anywhere in the world (except as expressly contemplated by this Section 9.3) shall be deemed a breach of Section 9.2 by the Concerned Party.

9.3.4. For avoidance of doubt, Divestiture of the Acquired Competing Product in accordance with Section 9.3.1 shall not constitute Commercialization of the Acquired Competing Product for purposes of Section 9.3.3. Further, if the Parties are unable to agree on the terms under which the Concerned Party may contribute the Acquired Competing Product to the collaboration in accordance with Section 9.3.2, the Concerned Party must still make an election (i.e., Section 9.3.1 or Section 9.3.2).

9.3.5. [***]

9.3.6. For purposes of this Section 9.3:

9.3.6.1. The term "Divest" or "Divestiture" means, with respect to an Acquired Competing Product, the sale, exclusive (even with respect to a Party and its Affiliates) license, or other delegation, assignment or transfer by a Party or its Affiliates of all of their respective Development and Commercialization rights or obligations with respect to such compound or product to a Third Party without the retention or reservation of any commercialization interest or participation rights (other than solely an economic interest or the right to enforce customary terms and conditions contained in the relevant agreements effectuating such Divestiture, including rights of access and review in connection therewith).

9.3.6.2. With respect to Section 9.3.3 and Section 9.3.5, the acquired or acquiring Party and its Affiliates (including the Acquiror or Acquiree and their respective Affiliates) will adopt reasonable procedures (which include appropriate administrative, physical and technical safeguards, including underlying operating system and network security controls and other firewalls) to prevent the disclosure of (1) all Confidential Information of the other Party, (2) all PIRS IP, SGEN IP and Joint IP, and (3) all other information (including Know-How) with respect to the Research, Development, Manufacture, or Commercialization of Compounds (including any Research Candidate Plans), including any structures of any such item and any Data generated in connection with activities hereunder (collectively, the "Sensitive Information") by such acquired or acquiring Party's and its Affiliates' and Sublicensees' or subcontractors' employees

Party's and its Affiliates' and Sublicensees' or subcontractors' employees,

agents or independent contractors who actively work under this Agreement and who do not work on any Acquired Competing Program, which procedures will include reasonable restrictions on the scope of any Sensitive Information required to be provided by the other Party. For clarity, the foregoing will not apply to any Sensitive Information that is not treated as Confidential Information hereunder. Pending the election of Section 9.3.1 to Section 9.3.3, or as long as Section 9.3.5 applies, the Non-Concerned Party shall be released from its governance and reporting obligations to the Concerned Party with respect to the Development and Commercialization of the applicable Collaboration Product (other than pursuant to Section 8.2).

10. Intellectual Property

10.1. Ownership.

10.1.1. Background & Other IP Ownership . Subject to Section 10.1.2, as between the Parties, all Know-How and Intellectual Property Rights Controlled by a Party prior to the Effective Date or developed separate and apart from this Agreement or the Original Agreement after the Effective Date, shall be deemed owned by the Party Controlling such Know-How and Intellectual Property Rights.

10.1.2. Building Block IP and PIRS Platform Improvement IP Ownership.

10.1.2.1. Building Blocks. A Party's Building Blocks, together with the Party's respective Building Block IP (including, for avoidance of doubt, improvements) in-licensed by a Party or generated by employees, agents, or independent contractors of either Party or its Affiliates in the course of performing activities under this Agreement or the Original Agreement, shall be solely owned by the Party which initially contributed or in-licensed such Building Block, subject to any rights and licenses granted herein. For clarity, the foregoing ownership shall be afforded regardless of whether such respective Building Block IP would otherwise constitute Joint IP under this Agreement and the Original Agreement. Each Party, for itself and on behalf of its Affiliates, hereby assigns (and to the extent such assignment can only be made in the future hereby agrees to assign), to the other Party all its right, title, and interest in and to the other Party's respective Building Block IP generated by employees, agents, independent contractors or consultants of such Party or its Affiliates in the course of performing activities under this Agreement or the Original Agreement, and will cooperate, and will cause its and its Affiliates' respective employees, agents, and contractors to cooperate, with the other Party to effectuate and

agents, and contractors to cooperate, with the other Party to effectuate and

perfect the foregoing ownership, including by promptly executing and recording assignments and other documents consistent with such ownership.

10.1.2.2. PIRS Platform Improvement IP. PIRS Platform Improvement IP shall be solely owned by PIRS. SGEN, for itself and on behalf of its Affiliates, hereby assigns (and to the extent such assignment can only be made in the future hereby agrees to assign), to PIRS all its right, title, and interest in and to any PIRS Platform Improvement IP. SGEN will cooperate, and will cause its and its Affiliates' respective employees, agents, and contractors to cooperate, with PIRS to effectuate and perfect the foregoing ownership, including by promptly executing and recording assignments and other documents consistent with such ownership. For clarity, no right is granted to SGEN under this Agreement with respect to the PIRS Platform Improvement IP.

10.1.3. Foreground IP.

10.1.3.1. SGEN IP Ownership. Except for (i) PIRS Building Block IP, (ii) PIRS Platform IP, (iii) PIRS Platform Improvement IP, and (iv) Joint IP, any invention conceived and reduced to practice, or Know-How generated solely by employees, agents, or independent contractors of SGEN under this Agreement or the Original Agreement, together with all Intellectual Property Rights therein, shall be owned by SGEN (any such Patent Rights therein, the "SGEN Compound Specific Patents").

10.1.3.2. Joint IP. Joint IP shall be owned jointly by the Parties and each Party shall have an equal and undivided right therein.

10.1.3.3. Right to Exploit Joint IP. Subject to and except as otherwise provided in this Agreement, including with respect to the licenses granted to the Parties under Article 1.220 with respect to the Compounds, the non-compete obligation in Section 9.2, and the allocation of ownership of certain rights under Section 10.1, each Party shall have the right to freely sell, assign, license, encumber, and otherwise exploit Joint IP without consent of or notice or accounting to the other Party, including the development and commercialization, alone or with one or more Third Parties, of products that modulate immune cell activity for the treatment of cancer.

10.2. Patent Prosecution.

10.2.1. General. Except as otherwise set forth in this Section 10.2, each Party will have the sole responsibility, at such Party's sole discretion and sole expense, to prepare, file, prosecute and maintain, in such Party's name, all Patent Rights owned or Controlled by such Party, including without limitation, that PIRS shall have such rights with respect to all Patent Rights within the PIRS Platform IP and PIRS Platform Improvement IP.

10.2.2. Joint Patent Filings. Subject to Section 10.2.4, PIRS and SGEN shall collaborate to prepare the patent application(s) for the Joint Patents, subject to both Parties' review and approval. Such Patents shall be filed jointly in the name of, and shall be owned jointly by, the Parties and each Party shall have an equal and undivided right therein. SGEN shall be responsible for the filing, prosecution and maintenance of such Patents throughout the world. All costs and expenses of filing, prosecuting, and maintaining such Patent Rights shall be borne by SGEN. SGEN will provide PIRS copies of all substantive filings and documents related to the prosecution and maintenance of such Patents Rights, sufficient opportunity to review and comment on any prosecution and maintenance activity regarding such Patent Rights, and will consider in good faith timely comments from PIRS thereon. If SGEN determines to abandon or not maintain any such Patent Rights, it shall provide PIRS with prior written notice of such determination at least [***] days before any loss of rights would occur with respect to such Patent Rights in any applicable patent office or patent granting authority and PIRS shall then have the right to assume the right to prosecute and maintain such Patent Rights at its sole discretion and expense.

10.2.3. SGEN Compound Specific Patent Filings. SGEN shall have the sole responsibility, at SGEN's sole discretion and sole expense, to prepare, file, prosecute and maintain, in SGEN's name, all SGEN Compound Specific Patents, except to the extent that such filing contains PIRS Confidential Information, in which case SGEN must obtain the advance written consent of PIRS prior to filing such SGEN Compound Specific Patent. If SGEN determines to abandon or not maintain any SGEN Compound Specific Patent that Covers a Compound, SGEN shall provide PIRS with prior written notice of such determination at least [***] days before any loss of rights would occur with respect to such Patent Rights, and PIRS shall have the right to prosecute and maintain such Patent Rights in SGEN's name, and the cost of any such prosecution and maintenance shall be borne by PIRS.

10.2.4. Other Joint Patents. To the extent any Joint Patent is not related to a Compound, or Covers an Antibody-Anticalin Protein fusion molecule that is not a Compound, then the Parties shall discuss in good faith the sharing of responsibilities and costs in connection with the filing, prosecution and maintenance of such IP. In the absence of agreement, Section 10.2.2 shall apply *mutatis mutandis* to any such Patents.

10.2.5. Building Block Patents. Each Party will have the sole responsibility, at such Party's sole discretion and sole expense, to prepare, file, prosecute, maintain, or abandon, in such Party's name, all Patent Rights within such Party's respective Building Block IP. Each Party will, through the JIPC, consult with the other Party regarding its strategy for the prosecution and maintenance of all such Patent Rights, and shall consider in good faith the other Party's comments regarding the same. Each Party will provide the other copies of all substantive filings and documents related to the prosecution and maintenance of such Patents Rights. Each Party will provide the other sufficient opportunity to review and comment on any prosecution and maintenance activity regarding such Patent Rights. For the avoidance of doubt, each Party shall furnish to the other Party its anticipated filing dates for any such Patents Rights as are relevant to a Compound in a timely matter to reasonably enable coordination between the Parties regarding the same. The Controlling Party will consider in good faith timely comments from the non-Controlling Party thereon.

10.2.6. Reasonable Assistance. Each Party will use reasonable efforts to make available to the other its authorized attorneys, agents, or representatives, or such of its employees as are reasonably necessary to assist the other Party in exercising its rights described under this Section 10.2. Each Party will sign, or will use reasonable efforts to have signed, all legal documents as are reasonably necessary to prosecute and maintain Patents in accordance with this Section 10.2. Each Party shall provide the other Party all reasonable assistance and cooperation in the Patent prosecution efforts described above in this Section 10.2, including providing any necessary powers of attorney, oaths, declarations, assignments, and executing any other required documents or instruments for such prosecution.

10.2.7. No Adverse Action. SGEN shall in good faith seek to avoid any action in the prosecution of the Joint Patents pursuant to this Agreement that would have a material adverse impact on any Patent Rights within the PIRS Building Block IP, the PIRS Platform IP, or the PIRS Platform

Improvement IP, and PIRS shall in good faith seek to avoid any action in the prosecution of the Joint Patents pursuant to this Agreement that would have a material adverse impact on any Patent Rights within the SGEN Building Block IP.

10.3. Common Interest Disclosures. With regard to any information or opinions disclosed pursuant to this Agreement by one Party to each other regarding intellectual property and/or technology owned by Third Parties, the Parties agree that they have a common legal interest in determining whether, and to what extent, Third Party intellectual property rights may affect the conduct of a Research Plan or Commercialization of any CoPro Product, and have a further common legal interest in defending against any actual or prospective Third Party claims based on allegations of misuse or infringement of intellectual property rights relating thereto. Accordingly, the Parties agree that all such information and materials obtained by PIRS and SGEN from each other will be used solely for purposes of the Parties' common legal interests with respect to the conduct of the Agreement. All information and materials will be treated as protected by the attorney-client privilege, the work product privilege, and any other privilege or immunity that may otherwise be applicable. By sharing any such information and materials, neither Party intends to waive or limit any privilege or immunity that may apply to the shared information and materials. Neither Party shall have the authority to waive any privilege or immunity on behalf of the other Party without such other Party's prior written consent, nor shall the waiver of privilege or immunity resulting from the conduct of one Party be deemed to apply against any other Party.

10.4. Patent Term Extensions.

10.4.1. Generally. The Parties shall cooperate in good faith in order to avoid the loss of any rights that may otherwise be available to the Parties under the U.S. Drug Price Competition and Patent Term Restoration Act of 1984, the Supplementary Certificate of Protection of the Member States of the European Union and other similar measures in any other country.

10.4.2. SGEN. Notwithstanding anything to the contrary in Section 10.4.1, SGEN will have the sole right and responsibility to apply for and obtain any patent term extension, supplementary protection certificates or similar extension of rights for any Joint Patent Covering a Collaboration Product in the Territory. To the extent necessary, PIRS agrees to execute any authorization or instruments, make any filings, or take such further actions as may be requested by SGEN to implement and obtain any such patent term extension, supplementary protection certificates or similar extension of rights. SGEN will have the sole right but not the obligation to apply for

of rights. SGEN will have the sole right but not the obligation to apply for

and obtain any patent term extension, supplementary protection certificates or similar extension of rights, using any SGEN Building Block IP or SGEN Compound Specific Patents. At SGEN's request, PIRS shall reasonably consider applying for such an extension with respect to any Patent within the PIRS Building Block IP, PIRS Platform IP or PIRS Platform Improvement IP.

10.5. CREATE Act. Neither Party shall invoke the Cooperative Research and Technology Enhancement Act ("CREATE Act") in connection with the Prosecution or Maintenance of any PIRS IP, SGEN IP or Joint IP without the prior written consent of the other Party.

10.6. Intellectual Property Litigation.

10.6.1. Defense.

10.6.1.1. Defense Cooperation. If the Research, Development, Manufacture, or Commercialization, including the use, importation, offer for sale or sale of any Collaboration Product pursuant to this Agreement results in any claim, suit or proceeding alleging patent infringement or trade secret misappropriation against PIRS or SGEN, then such Party shall promptly notify the other Party hereto. The Parties shall reasonably cooperate with each other in connection with any such claim, suit or proceeding and shall keep each other reasonably informed of all material developments in connection with any such claim, suit or proceeding.

10.6.1.2. Compound Defense. If a Third Party asserts that a Patent owned by or licensed to it are infringed by the Research, Development, Manufacture, or Commercialization, including the use, importation, offer for sale or sale of a Research Candidate or Collaboration Product by SGEN or its Affiliates, or that its trade secrets were misappropriated in connection with such activity (any such claim, a "Third Party IP Claim"), then (except to the extent such Third Party IP Claim is subject to indemnification under Article 14, in which case Section 14.1 or Section 14.2, as applicable, shall govern) SGEN shall have the exclusive right and responsibility to resolve any such Third Party IP Claim made in the Territory (the Party resolving such Third Party IP Claim being the "Defending Party"). The Defending Party shall have the right to resolve such Third Party IP Claim in the manner that it chooses, whether by obtaining a license from such Third Party, by defending against such Third Party IP Claim or otherwise, and shall be solely responsible for the defense of any such action, any and all costs incurred in connection with such action (including, without

all costs incurred in connection with such action (including, without

limitation, attorneys' and expert fees) and all liabilities incurred in connection therewith. Notwithstanding the above, the Defending Party shall not enter into any settlement of any such Third Party IP Claim without the prior written consent of the other Party (such Party the "Non-Defending Party") if such settlement would require the Non-Defending Party to be subject to an injunction or to make any monetary payment to the Defending Party or any Third Party, or admit any wrongful conduct by the Non-Defending Party or its Affiliates, or would limit or restrict the claims of or admit any invalidity and/or unenforceability of any of the Patents Controlled by the Non-Defending Party. Subject to Section 8.1.2, and except to the extent the applicable Third Party IP Claim is subject to indemnification under Section 14.1, SGEN shall assume full responsibility for the payment of any award for damages, or any amount due pursuant to any settlement or license entered into by it with a Third Party as a result of any action under this Section 10.6.1.2 for each Collaboration Product.

10.6.1.3. PIRS Research Term Activities Defense. If a Third Party IP Claim is commenced against PIRS, related to PIRS' conduct of the research program within the scope of the Research Candidate Plan or the discovery of a Research Candidate, in each case in accordance with this Agreement, then, except to the extent the applicable Third Party IP Claim is subject to indemnification under Section 14.1, PIRS shall have the right (but not the obligation) to defend such action, and SGEN shall assist and cooperate with PIRS to the extent necessary in the defense of such suit. PIRS shall have the right to settle the suit or consent to an adverse judgment thereto, in its sole discretion, so long as such settlement or adverse judgment does not adversely affect the rights of SGEN and its Affiliates (including any Patents Controlled by any of them), provided that PIRS may not enter into any settlement or consent that requires the payment of an award for monetary damages or other monetary payment without SGEN's written consent. Except to the extent the applicable Third Party IP Claim is subject to indemnification under Section 14.1, SGEN shall assume full responsibility for the reasonable costs of defending such Third Party IP Claim, payment of any award for damages, or any amount due pursuant to any settlement entered into by it with such Third Party.

10.6.1.4. Enforcement.

10.6.1.5. SGEN Enforcement. SGEN shall have the full and unrestricted right, but not the obligation, to bring and control an appropriate suit or other action against any person or entity under any Joint Patent directly relating

to any Collaboration Product in the Field in the Territory, except as set forth in Section 10.6.2.2 ("SGEN Infringement Action"), in its own name and entirely under its own direction and control. In the event that SGEN does not wish to enforce such Patents against such a potential infringer, then SGEN shall deliver prompt written notice thereof to PIRS. In the event that SGEN is unable to initiate or prosecute such SGEN Infringement Action solely in its own name or it is otherwise advisable in order to obtain an effective remedy, PIRS will join, but not control, such SGEN Infringement Action. If SGEN requests so, PIRS shall reasonably cooperate with SGEN in the planning and execution of any SGEN Infringement Action. Notwithstanding the foregoing, if SGEN does not either initiate such a SGEN Infringement Action or otherwise abate such Third Party infringement within [***] days after SGEN's receipt of a notice of infringement (or sooner if any deadlines require action prior to such [***] days) and the infringement relates to the launch or a threat to launch a competitor of (including Biosimilar versions) a Collaboration Product, then PIRS will have the second right, but not the obligation, to initiate such suit or other action. In the case of a Collaboration Product, all amounts received upon the final judgment or settlement of any such suit or action to enforce such Patents shall first be allocated to reimburse the Parties for any costs that the Parties bore in connection with such suit or action, and the remainder, if any, shall be divided between the Parties as follows: (a) if SGEN is the enforcing Party, SGEN shall retain [***] percent ([***]%) and pay [***] percent ([***]%) to PIRS (in lieu of any royalties or other payments due on such recoveries under the Agreement), and (b) if PIRS is the enforcing Party, PIRS shall retain [***] percent ([***]%) (in lieu of any royalties or other payments due on such recoveries under the Agreement), and pay [***] percent ([***]%) to SGEN.

10.6.1.6. No Other Enforcement Rights.

(a) SGEN shall not have the right to assert or enforce any other Patents owned or Controlled by PIRS under this Agreement, such as the Patent Rights within the PIRS Building Block IP, PIRS Platform IP or PIRS Platform Improvement IP, against a Third Party under any circumstances, and PIRS shall not be under any obligation to enforce such Patent Rights, except that, absent PIRS' reasonable justification, PIRS shall bring an appropriate suit or other action against any person or entity under any Patent Right within the PIRS Building Block IP directly relating to a Collaboration Product at SGEN's request and cost, and using counsel selected by SGEN and reasonably acceptable to PIRS. In addition, with respect to any

Collaboration Product Commercialized by SGEN in the Territory, SGEN will, within [***] days after its receipt of written notice (if any) confirming acceptance of a BLA by the FDA for a Biosimilar product (or equivalent acceptance of an application to market a Biosimilar by another Competent Authority), provide PIRS with notice of acceptance of the aBLA, and, to the extent provided by the applicant under 42 USC § 262(l)(2)(A) (or any similar standard under its foreign equivalent applicable law), with a copy of the aBLA and "such other information that describes the process . . . used to manufacture the biological product." PIRS shall then provide SGEN within [***] days a list of such Patent Rights within the PIRS Building Block IP that it believes are infringed by the applicant and that PIRS agrees to enforce against the applicant. PIRS also agrees to reasonably cooperate and assist SGEN in complying with its additional obligations under § 262(l) (or foreign equivalent).

(b) PIRS shall not have the right to assert or enforce any other Patents owned or Controlled by SGEN under this Agreement, such as the Patent Rights within the SGEN Building Block IP against a Third Party under any circumstances and PIRS shall not be under any obligation to enforce such Patent Rights.

(c) Other than as set forth herein, upon reasonable request, the Party controlling the Patent Rights set forth in this Section 10.6.2.2 shall reasonably consider enforcing or permitting enforcement of such Patent Rights.

10.7. Trademarks. SGEN shall be solely responsible for filing, registering, maintaining, and defending Trademarks in the Territory for Collaboration Products, at SGEN's expense and in its own name.

11. Confidentiality

11.1. Confidentiality. Except to the extent expressly authorized by this Agreement or agreed in writing by the Parties, during the Term and for a period of [***] years after its termination or expiration, the Parties agree that the Receiving Party shall: (a) keep the Disclosing Party's Confidential Information confidential; (b) not disclose, or permit the disclosure of, the Disclosing Party's Confidential Information; and (c) not use, or permit to be used, the Disclosing Party's Confidential Information for any purpose other than as expressly permitted under the terms of this Agreement; provided that in the case of Confidential Information that constitutes a trade secret pursuant to Chapter I, Article 2 of EU Directive 2016/943 or Article 39 of the WTO Agreement on Trade-Related Aspects of

2010/945 of Article 39 of the WTO Agreement on Trade-Related Aspects of

Intellectual Property Rights ("ADPIC Treaty") and has been identified or reasonably understood to be such by the Disclosing Party, the obligations under this Section 11.1 shall apply for so long as such Confidential Information is afforded trade secret protection pursuant to Chapter I, Article 2 EU Directive 2016/943 or Article 39 of the ADPIC Treaty.

11.2. Authorized Disclosure. The Receiving Party shall only be entitled to disclose, on a need to know basis for the purpose of the performance of the Agreement, Confidential Information of the Disclosing Party to its (i) directors, employees, Affiliates, consultants, and advisors, (ii) existing Sublicensees, investors, lenders, underwriters and collaborators, (iii) potential Sublicensees, investors, lenders, underwriters, collaborators or successors in interest solely to the extent necessary for the evaluation of a potential sublicense, collaboration or investment or merger, acquisition or Change of Control, or (iv) Third Party subcontractors (collectively the "Authorized Recipients"); provided that such Authorized Recipients are bound by confidentiality and restricted use obligations or professional standards of confidentiality with respect to such Confidential Information that are at least as stringent as those set forth in this Agreement. The Receiving Party will use diligent efforts to cause its Authorized Recipients to comply with such confidentiality and restricted use obligations. The Receiving Party shall be responsible towards the Disclosing Party for any breach by its Authorized Recipients any such confidentiality and restricted use obligations.

11.3. Disclosure to Third Parties.

11.3.1. Right to Disclose. Notwithstanding the foregoing provisions of Section 11.1, the Receiving Party may disclose Confidential Information of the Disclosing Party to the extent (and only to the extent) such disclosure is reasonably necessary:

11.3.1.1. to Competent Authorities (a) with respect to SGEN in connection with obtaining or maintaining Regulatory Approvals for any Compound in the Territory, and (b) in order to respond to inquiries, requests or investigations relating to Compounds or this Agreement;

11.3.1.2. in connection with filing or prosecuting Patent Rights or trademark rights as permitted under this Agreement;

11.3.1.3. in connection with prosecuting or defending litigation as permitted by this Agreement;

11.3.1.4. to the counterparty of the PIRS Background Agreements, or the SGEN Background Agreements to which such Receiving Party is the contracting Party in order to comply therewith;

11.3.1.5. subject to the provisions of Article 12, in connection with or included in scientific presentations and publications relating to Compounds, including abstracts, posters, journal articles and the like, and posting results of and other information about Clinical Studies to clincialtrials.gov or similar websites; and

11.3.1.6. to the extent necessary in order to enforce its rights under this Agreement.

11.3.2. Disclosure Notice. If a Party deems it reasonably necessary to disclose Confidential Information belonging to the other Party pursuant to this Sections 11.3.1.1(b), 11.3.1.3 or 11.3.1.6, then the former Party shall, if available, use commercially reasonable effort to obtain a protective order, confidential treatment or other similar measures narrowing the scope of such use and public or other disclosure of such Confidential Information and otherwise take such measures to ensure confidential treatment of such information as is reasonably required. For clarification, any such limited disclosure shall not cause any such information to cease to be Confidential Information.

11.4. Excluded Information.

11.4.1. Excluded Information. Notwithstanding Section 11.1, the Confidential Information of the Disclosing Party shall not include information or materials that:

11.4.1.1. at the time of disclosure to, or acquisition by, the Receiving Party or its Affiliates is generally available to the public, or after the time of disclosure or acquisition is generally available to the public through no wrongful act or omission of the Receiving Party or its Authorized Recipients in breach of this Agreement;

11.4.1.2. was in the lawful possession and at the free disposal (not subject to a duty of confidentiality or restricted use obligations) of the Receiving Party prior to disclosure by the Disclosing Party, as evidenced by written records then in the possession of the Receiving Party;

11.4.1.3. is rightfully made available to the Receiving Party by Third Parties not bound by confidentiality or restricted use obligations; or

11.4.1.4. is independently discovered or developed by the Receiving Party without access to or use of the Confidential Information of the Disclosing Party, as evidenced by written records then in the possession of the Receiving Party.

11.5. Legally Required Disclosures. The Receiving Party may disclose Confidential Information of the Disclosing Party in order to comply with the requirements of applicable Law (and only to the extent so required), provided that the Receiving Party shall to the extent possible give reasonable advance written notice of such disclosure to the Disclosing Party and will cooperate with the Disclosing Party in protecting against any such disclosure and/or obtaining a protective order, confidential treatment or other similar measures narrowing the scope of such use and public or other disclosure of such Confidential Information and otherwise taking such measures to ensure confidential treatment of such information as is reasonably required. Any such compelled disclosure will be to the minimum extent permissible as required by applicable Law. For clarification, any such limited disclosure shall not cause any such information to cease to be Confidential Information.

11.6. Terms of this Agreement.

11.6.1. Confidentiality of this Agreement. The Parties agree that the terms of this Agreement will be treated as Confidential Information of both Parties, and thus may be disclosed only as permitted by Section 11.3 (other than Section 11.3.1.5) and Section 11.5. Each Party will also be permitted to disclose the terms of this Agreement (including the Exhibits hereto), in each case under appropriate confidentiality provisions (or without such provisions for recipients that are financial or legal advisors under a professional code of conduct giving rise to an expectation of confidentiality and non-use at least as restrictive as those set forth in this Agreement), on a need to know basis, to a Party's (and its Affiliates') existing investors and to any bona fide potential or future permitted acquirer or assignee, investment banker, investor, licensee, Sublicensee, collaborator, underwriter or lender with whom a Party (or its Affiliates) has entered into good faith negotiations regarding a proposed transaction, provided that (a) the disclosing Party agrees to redact information that it reasonably believes is not relevant to the proposed transaction, and (b) the financial terms of this Agreement may be disclosed to any of the foregoing named Persons only

after negotiations with such Person have progressed so that such Party reasonably believes that a transaction is reasonably expected to occur.

11.6.2. Securities Filings. If a Party is required by applicable Law to make a disclosure of the terms of this Agreement (including for clarity, the Exhibits and Schedules hereto) in a filing with or other submission to the US Securities and Exchange Commission (the "SEC") or any other securities exchange or otherwise to comply with applicable Law, such Party shall provide prompt written notice of the disclosure to the other Party as far in advance of such filing or other disclosure as is reasonably practicable under the circumstance in order to allow the other Party to comment upon or request confidential treatment of its Confidential Information. In the event that no protective order or other remedy is obtained, or the other Party fails to timely respond to a written notice or otherwise waives compliance with the terms of this Agreement, then such Party will have the right to make such public disclosure at the time and in the manner reasonably determined by its counsel to be required by applicable Law. Notwithstanding anything to the contrary herein, the Party required to make the disclosure shall consider in good faith the comments timely provided by the other Party and shall furnish only that portion of the Confidential Information that the Party is legally required to furnish.

11.7. Agreement Termination. Upon termination of this Agreement, at the Disclosing Party's request, the Receiving Party will return or destroy all documents or other media containing Confidential Information of the Disclosing Party (except for documents or other media containing Joint Know-How or Data that the Receiving Party is permitted to use pursuant to Section 2.6.1), provided however that the Receiving Party may retain one (1) copy for archival and compliance purposes, and as required by applicable Law.

11.8. Remedies. The Parties agree that money damages may not be an adequate remedy if this Section 11 is breached and, therefore, either Party may, in addition to any other legal or equitable remedies, seek an injunction or other equitable relief against such breach or threatened breach without the necessity of posting any bond or surety.

12. Publications

12.1. Restrictions. Without limiting Article 11 and subject to the other provisions of this Article 12, neither Party shall use the name of the other Party in any publicity or advertising without the prior written consent of the other Party. For clarity, PIRS shall not publish any pre-clinical and clinical Data with respect to a Research

shall not publish any pre-clinical and clinical Data with respect to a Research

Candidate or a Collaboration Product without the prior written consent of SGEN. With respect to any publication (including any abstract, poster, presentation or other disclosure) related to a Research Candidate (including any Data generated prior to the [***] for such Research Candidate, even if such publication is made after the [***]) ("Research Candidate Publication"), SGEN shall promptly inform PIRS of its intention to prepare such a publication and provide draft(s) of such publication as soon as available. The Parties shall discuss in good faith the timing of any Research Candidate Publication in view of the public disclosures at the time related to the Anticalin Protein included in such Research Candidate. With respect to any Research Candidate Publication: (i) PIRS shall have the right to require modifications to such Research Candidate Publication to remove the Confidential Information of PIRS if so requested by PIRS; (ii) SGEN shall not be permitted to publish or otherwise disclose the identity, Target, characterization, performance or other Data associated with the Anticalin Protein included in a Research Candidate (alone or as the fusion protein) until PIRS confirms that appropriate Patent filings have been made for the Anticalin Protein (in particular, any PIRS Building Block IP) commensurate in scope with the proposed disclosure of the Research Candidate Publication, and (iii) in the event that SGEN uses data generated by or on behalf of PIRS in such Research Candidate Publication it shall follow all applicable scientific standards and guidelines regarding authorship and afford the opportunity for all authors to comment on any draft Research Candidate Publication and SGEN shall consider such comments in good faith. SGEN shall have sole decision-making authority with respect to publications (including any abstract, poster, presentation or other disclosure) related to Collaboration Products, provided that PIRS shall have the right to require modifications to any such proposed publication to remove the Confidential Information of PIRS. SGEN will provide to PIRS final copies of all publications (including any abstract, poster, presentation or other disclosure) that SGEN proposes to make with regard to any Research Candidate or Collaboration Product at least [***] days prior to the intended date of publication and shall include in all such publications (including any abstract, poster, presentation or other disclosure) an acknowledgement of PIRS and its contributions to the applicable Research Candidate or Collaboration Product.

12.2. Registries. SGEN shall be free to disclose any Clinical Study Data generated by SGEN concerning a Collaboration Product in clinical trial registries, in accordance with applicable Laws; provided, however, except to the extent prohibited or otherwise required by applicable Law (and in any event consistent with applicable Law), that SGEN shall have provided PIRS at least [***] Business Days prior to such disclosure (to the extent practicable), a detailed description of the proposed disclosure and shall have, in good faith, considered the comments made by PIRS and to delay, upon written request from PIRS, such disclosure by up to [***] days

(or as long as permitted, if less than [***] days) where need to file a patent application.

12.3. Press Releases.

12.3.1. Press Release. The Parties agree that PIRS issues the press release attached hereto as Exhibit 12.3.1 on or the day after the Effective Date.

12.3.2. Further Press Releases. Except as provided in Article 11 or this Article 12, neither Party will issue a press release or public announcement relating to this Agreement without the prior written approval of the other Party (such approval not to be unreasonably withheld, conditioned or delayed), except that a Party may (a) once a press release or other public statement is approved in writing by both Parties, make subsequent public disclosure of the information contained in such press release or other written statement without the further approval of the other Party, and (b) issue a press release or public announcement as required by Applicable Law (including a press release corresponding to any securities disclosure, such as pursuant to a Form 8-K), including by the rules or regulations of the US Securities and Exchange Commission or similar regulatory agency in a country other than the US or of any stock exchange or listing entity, provided that the Party issuing such press release gives reasonable prior notice (meaning at least [***] Business Days if feasible) to the other Party of and the opportunity to comment on the press release or public announcement, and otherwise complies with this Section 12.3.2. In addition, PIRS may issue a press release regarding (x) the exercise of the PIRS CoPro Option, or (y) the payment or receipt of any option or milestone payments under Sections 7.4, 7.5, 7.6 or 7.9 of this Agreement with respect to any Collaboration Product, provided, that (i) such press release does not identify the Target of such Collaboration Product unless otherwise already made public; and (ii) otherwise complies with this Section 12.3.2.

12.4. Timeline Extension or Deferral of Disclosures.

12.4.1. Each Party agrees that it will not unreasonably withhold, condition, or delay its consent to requests for extensions of the above timelines in this Article 12 in the event that material late breaking Data becomes available.

12.4.2. If either Party believes that any proposed press release or other public statement, or any publication, presentation, or other disclosure would be prejudicial to its opportunity to obtain any Patent, then the affected Party shall notify the publishing Party within the timeframe provided for in this

shall notify the publishing Party within the timeframe provided for in this

Article 12 as applicable, or if not applicable, as soon as practicable after receipt of the proposed press release or other public statement, publication, presentation, or other disclosure, in which case the publishing Party shall refrain from making such press release, other public statement, publication, presentation or other disclosure for an additional [***] Business Days from the last day of the period otherwise provided for herein to the extent necessary to enable the preparation and filing of any necessary patent applications.

12.5. Failure to Object to Disclosure. If the Party proposing any press release or other public statement, or any publication, presentation, or other disclosure referred to in this Section 12 (excluding for the avoidance of doubt any promotional materials) receives no objection from the other Party within the timeframes set forth in the corresponding Section, then, the Party proposing such press release, other public statement, publication, presentation, or other disclosure shall be free to proceed with the same without further reference to or agreement from the other Party; provided, however, that any such press release, other public statement, publication, presentation, or other disclosure shall acknowledge the other Party's contribution to any Data included therein and otherwise comply with this Agreement.

12.6. Copyright Clearance Center. To enable free exchange of copyrighted material between the Parties, each Party agrees that it has or shall (i) obtain and maintain, at its own expense, an Annual Copyright License or equivalent license from the Copyright Clearance Center and (ii) list the other Party as a collaborator in an agreement with the Copyright Clearance Center.

13. Representations, Warranties & Covenants

13.1. Representations and Warranties of the Parties.

13.1.1. Each Party hereby represents and warrants to the other Party, as of the Effective Date, that:

13.1.1.1. such Party is duly established, validly existing and in good standing under the Laws of the jurisdiction and has full power and authority to enter into this Agreement and to carry out the provisions hereof;

13.1.1.2. all requisite corporate action on the part of such Party, its directors and stockholders required by applicable Law for the authorization, execution and delivery by such Party of this Agreement, and the performance of all obligations of such Party under this Agreement, has been taken;

13.1.1.3. this Agreement has been duly executed and delivered on behalf of such Party, and constitutes a legal, valid, and binding obligation, enforceable against it in accordance with the terms hereof; and

13.1.1.4. the execution and delivery of this Agreement by such Party do not, and the performance of this Agreement by such Party will not: (i) conflict with, or result in any violation of or default under, any agreement, instrument or understanding, oral or written, to which it or any Affiliate is a party or by which it or any Affiliate is bound; or (ii) violate any provision of any applicable Law.

13.2. Representations and Warranties of PIRS.

13.2.1. Generally. PIRS hereby represents and warrants to SGEN that, as of the Effective Date:

13.2.1.1. PIRS has the right to grant the rights granted to SGEN under this Agreement, and no rights granted to SGEN pursuant to this Agreement are in violation of any existing agreement between PIRS or any of its Affiliates and any Third Party;

13.2.1.2. None of PIRS or its Affiliates, any Third Party acting by or on behalf of PIRS or any of its Affiliates in connection with the Research, Development or Manufacture of the Anticalin Building Blocks prior to the Effective Date has been debarred or is subject to debarment;

13.2.1.3. PIRS is the owner of or Controls the PIRS Patent Rights listed in Exhibit 13.2.1.3 (with an indication as to which Patent Rights are owned and which are controlled) ("Existing PIRS Patent Rights"). Each of the Existing PIRS Patent Rights has been filed in good faith, has been prosecuted in accordance with any applicable duty of candor and has been maintained in a manner consistent with standard industry practice, in each case in each applicable jurisdiction in which such PIRS Patent Rights have been filed, and no official final deadlines with respect to prosecution thereof have been missed and all applicable fees due prior to the Effective Date have been paid on or before the due date for payment;

13.2.1.4. All inventors of all the Existing PIRS Patent Rights that are owned by PIRS, have been identified as such in the filings with the relevant patent offices and to PIRS' knowledge, all inventors of all the Existing PIRS Patent Rights that are in-licensed by PIRS have been identified as such in the filings with the relevant patent offices;

13.2.1.5. PIRS does not Control Patent Rights Covering the Compounds other than those listed in Exhibit 13.2.1.3;

13.2.1.6. where applicable, all of PIRS' and its Affiliates' officers, employees, independent contractors, consultants, and agents as of the Effective Date (other than academics or public or academic institutions subject to Section 4.5) performing activities under this Agreement where there is the potential for inventive activity have executed agreements requiring assignment or licensing to PIRS of all inventions Covering a Compound made during the course of and as a result of their association with PIRS or its Affiliate, as applicable, and obligating the individual to maintain as confidential the confidential information of PIRS or its Affiliate, as applicable;

13.2.1.7. where applicable, all of PIRS' and its Affiliates' officers, employees, independent contractors, consultants, and agents engaged after the Effective Date (other than academics or public or academic institutions subject to Section 4.5) performing activities under this Agreement where there is the potential for inventive activity that have not executed agreements with PIRS prior to the Effective Date will execute agreements requiring assignment to PIRS of all inventions Covering a Compound made during the course of and as a result of their association with PIRS or its Affiliate, as applicable, and obligating the individual to maintain as confidential the confidential information of PIRS or its Affiliate, as applicable unless otherwise agreed to by the Parties in writing;

13.2.1.8. There are no agreements (other than the PIRS Background Agreements) to which PIRS or any of its Affiliates is a party under which PIRS or any of its Affiliates obtains or has obtained a license or other right to the PIRS IP from a Third Party that Cover the Compounds in the Field;

13.2.1.9. To PIRS' knowledge, the Existing PIRS Patent Rights are, or, upon issuance, will be, valid and enforceable patents. There is no pending or, to PIRS' knowledge, threatened claim, suit, action, litigation or other proceeding brought by a Third Party against PIRS or any of its Affiliates (a) challenging the validity or enforceability of any of the Existing PIRS Patent Rights, (b) claiming that the making, using, selling, offering for sale or importing of any of the Compounds constitutes infringement of such Third Party's Intellectual Property Right(s), or (c) subjecting any of Existing PIRS Patent Rights to interference, reexamination, reissue, revocation, opposition, appeal or other administrative proceedings;

13.2.1.10. Neither PIRS nor any of its Affiliates has received any communications alleging that it has infringed, misappropriated, or otherwise violated, or that it would infringe, misappropriate, or otherwise violate, through the manufacture, use, import, export, sale, or offer for sale of any of the Compounds or any portion thereof, any Intellectual Property Rights or Know-How Controlled by any Third Party;

13.2.1.11. To PIRS' knowledge, there is no Third Party intellectual property that would prevent PIRS from generally practicing the PIRS Platform Technology to Manufacture, Develop and Commercialize Anticalin therapeutics generally, which for clarity and without limitation does not include any specific target or particular Anticalin Protein;

13.2.1.12. PIRS has taken reasonable precautions to preserve the confidentiality of the PIRS Know-How required to be transferred to SGEN under this Agreement;

13.2.1.13. PIRS has disclosed or made available to SGEN any material data from studies of the PIRS Building Blocks in its possession, including, subject to Third Party confidentiality obligations, material data related to fusion proteins that include a PIRS Building Block that are relevant to the Research of the Research Candidates;

13.2.1.14. All studies conducted specifically for the PIRS Building Blocks have been conducted by PIRS or any of its (sub)contractors in accordance with applicable Laws by persons with appropriate education, knowledge and experience;

13.2.1.15. The documents containing Data or other PIRS Know-How disclosed or made available to SGEN in the context of the negotiation of this Agreement are true and accurate copies of what they purport to be;

13.2.1.16. PIRS has provided to SGEN a true and complete (though redacted) copy of each PIRS Background Agreement, and each such PIRS Background Agreement is a valid and binding obligation and is in full force and effect;

13.2.1.17. PIRS is not in breach of any PIRS Background Agreement and has not received any notice of any continuing default, breach or violation under any PIRS Background Agreement; and

13.2.1.18. To the knowledge of PIRS, no counterparty to a PIRS Background Agreement is in breach of such PIRS Background Agreement and such counterparty has not been sent or received any notice of any continuing default, breach or violation under such PIRS Background Agreement.

13.3. Representations and Warranties of SGEN.

13.3.1. Generally. SGEN hereby represents and warrants to PIRS that, as of the Effective Date:

13.3.1.1. SGEN has the right to grant the rights granted to PIRS under this Agreement, and no rights granted to PIRS pursuant to this Agreement are in violation of any existing agreement between SGEN or any of its Affiliates and any Third Party;

13.3.1.2. SGEN is the owner of or Controls the SGEN Know-How required to be transferred to PIRS under this Agreement ("**Existing SGEN Know-How**");

13.3.1.3. All current and former employees and consultants of SGEN who are or have been involved in the conception or reduction to practice of the Existing SGEN Know-How have executed written contracts or are otherwise obligated to assign to SGEN his or her rights to the Existing SGEN Know-How conceived or reduced to practice by such employee and consultant;

13.3.1.4. where applicable, all of SGEN' and its Affiliates' officers, employees, independent contractors, consultants, and agents as of the Effective Date (other than academics or public or academic institutions subject to Section 4.5) performing activities under this Agreement where there is the potential for inventive activity have executed agreements requiring assignment or licensing to SGEN of all inventions Covering a Compound made during the course of and as a result of their association with SGEN or its Affiliate, as applicable, and obligating the individual to maintain as confidential the confidential information of SGEN or its Affiliate, as applicable;

13.3.1.5. where applicable, all of SGEN' and its Affiliates' officers, employees, independent contractors, consultants, and agents engaged after the Effective Date (other than academics or public or academic institutions subject to Section 4.5) performing activities under this Agreement where

there is the potential for inventive activity that have not executed agreements with SGEN prior to the Effective Date will execute agreements requiring assignment to SGEN of all inventions Covering a Compound made during the course of and as a result of their association with SGEN or its Affiliate, as applicable, and obligating the individual to maintain as confidential the confidential information of SGEN or its Affiliate, as applicable unless otherwise agreed to by the Parties in writing;

13.3.1.6. To SGEN's knowledge, no Third Party is misappropriating, has misappropriated, or is threatening to misappropriate, the Existing SGEN Know-How. SGEN has not received any written notice from any Third Party asserting or alleging that the Existing SGEN Know-How misappropriates the intellectual property rights or confidential information of such Third Party;

13.3.1.7. SGEN has taken reasonable precautions to preserve the confidentiality of the Existing SGEN Know-How; and

13.3.1.8. the SGEN Background Agreements (if any) are a valid and binding obligation and are in full force and effect.

13.3.2. Disclaimer. EXCEPT AS EXPRESSLY SET FORTH IN SECTION 13.1, SECTION 13.2 AND SECTION 13.3 ABOVE, NEITHER PARTY MAKES (AND EACH PARTY EXPRESSLY DISCLAIMS) ANY AND ALL REPRESENTATIONS OR WARRANTIES OF ANY KIND, WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT OR ANY WARRANTIES THAT MAY ARISE FROM A COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OR TRADE, INCLUDING WITH RESPECT TO ANY INTELLECTUAL PROPERTY RIGHTS, TECHNOLOGY OR CONFIDENTIAL INFORMATION OF A PARTY.

13.4. Mutual Covenants. Each Party hereby covenants throughout the Term as set forth below.

13.4.1. Compliance. Each Party will, and will cause its Affiliates and Sublicensees to, conduct the Research Collaboration and the Development, Manufacture, and Commercialization of the Collaboration Products in material compliance with all applicable Laws, including current

material compliance with all applicable Laws, including current

governmental regulations concerning current good laboratory practices (GLP), good clinical practices (GCP) and good manufacturing practices (GMP).

13.4.2. Non-Debarment. Such Party will not, and will cause its Affiliates and Sublicensees not to, employ or use any contractor or agent that employs any individual or entity (a) that has been debarred by a Competent Authority under applicable Laws or convicted of a crime for which such Person could be so debarred, or (b) that is the subject of a debarment investigation or proceeding of a Competent Authority under applicable Laws, in each case of clauses (a) and (b), in the conduct of such Party's, its Affiliates' and Sublicensees' activities under this Agreement.

13.4.3. No Conflict. Such Party shall not, and shall cause its Affiliates and Sublicensees not to, enter into any agreement or other arrangement with a Third Party that conflicts with the rights granted to the other Party under this Agreement.

13.4.4. Background Agreements. During the term of this Agreement, PIRS agrees to comply with the following with respect to each PIRS Background Agreement, but solely to the extent it relates to the Compounds or any rights granted to SGEN hereunder: (i) keep SGEN reasonably informed of any material development pertaining to (including any request or proposal to materially amend or modify) a PIRS Background Agreement; (ii) maintain each PIRS Background Agreement in full force and effect; (iii) perform its obligations under each PIRS Background Agreement; (iv) timely pay all license fee, maintenance fee, royalty, milestone, sublicensing revenue or similar payment obligations due pursuant to any PIRS Background Agreement; (v) not terminate any PIRS Background Agreement without the prior written consent of SGEN which consent shall not be unreasonably withheld or delayed; and (vi) not amend, or waive any right under any PIRS Background Agreement that would adversely affect the rights granted to SGEN hereunder, without the prior written consent of SGEN which consent shall not be unreasonably withheld or delayed.

13.4.5. Licensure. If either Party determines in good faith that the licenses under this Agreement are required to be filed with the Federal Trade Commission ("FTC") under the US's Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. §18a) ("HSR") or with equivalent foreign Government Authorities under any similar foreign Law, then each Party will promptly prepare and submit any necessary filings and will use commercially reasonable efforts to obtain such approvals and the Effective

commercially reasonable efforts to obtain such approvals and the Effective

Date shall occur upon all such HSR or other governmental clearances have been obtained. Each Party will be responsible for its own costs; provided that SGEN will pay all filing fee(s) required in the event of an HSR filing or filing for other governmental clearance. Both Parties will use all commercially reasonable efforts to cause the clearance to be obtained as quickly as possible. However, neither Party will be required to adversely affect its legal position (e.g., agree to divestitures or product restrictions) in the interest of expediting such clearance.

14. Indemnification & Insurance

14.1. PIRS Indemnity. PIRS shall defend, indemnify and hold harmless SGEN and its Affiliates and their respective directors, officers, agents, representatives, successors, permitted assignees and employees (collectively, the "SGEN Indemnitees") from and against any and all liabilities, losses, costs, damages and expenses, including reasonable attorneys' fees (collectively, "Damages"), incurred as a result of or arising out of any claim, suit, action, demand or other proceeding made or brought by a Third Party (each, a "Third Party Claim") against one or more SGEN Indemnitees to the extent resulting from (a) the negligence, recklessness, willful misconduct or intentional wrongful acts or omissions of PIRS or its Affiliates or their respective agents, representatives, consultants or independent contractors, in the performance by or on behalf of PIRS of PIRS' obligations under this Agreement or the Co-Promotion Agreement (if any); (b) any breach (or allegation of a breach) by PIRS of any representation, warranty or covenant made by PIRS set forth in Section 13 of this Agreement or any breach or violation of any covenant or agreement of PIRS in or in performance of this Agreement or the Co-Promotion Agreement (if any); (c) solely as it pertains to a Third Party Claim for product liability in the CoPro Territory, the Commercialization of the CoPro Product to the extent such Damages were incurred with respect to the Commercialization by or for PIRS or any of its Affiliates or Sublicensees of a CoPro Product in or for the CoPro Territory; and (d) any PIRS Background Agreement; except, in any such case, to the extent such Damages arise out of or result from the negligence, recklessness, willful misconduct or intentional wrongful acts or omissions or breach of this Agreement by SGEN or a SGEN Indemnitee or matters for which SGEN is obligated to indemnify PIRS under Section 14.2.

14.2. SGEN Indemnity. SGEN shall defend, indemnify and hold harmless PIRS and its Affiliates and their respective directors, officers, agents, representatives, permitted successors, permitted assignees and employees (collectively, the "PIRS Indemnitees") from and against any and all Damages incurred as a result of or arising out of any Third Party Claim made or brought against one or more PIRS

Indemnitees to the extent resulting from (a) the negligence, recklessness, willful misconduct or intentional wrongful acts or omissions of SGEN or its Affiliates or their respective agents, representatives, consultants or independent contractors, in the performance by or on behalf of SGEN of SGEN's obligations under this Agreement or the Co-Promotion Agreement (if any); (b) any breach (or allegation of a breach) by SGEN of any representation, warranty or covenant made by SGEN set forth in Section 13 of this Agreement or any breach or violation of any covenant or agreement of SGEN in or in performance of this Agreement or the Co-Promotion Agreement (if any); (c) solely as it pertains to a Third Party Claim for product liability in the Territory, the Development, Manufacturing, Commercialization, handling, storage, labeling or transfer of any Collaboration Product to the extent such Damages were incurred with respect to the Research, Development, Manufacture, or Commercialization by or for SGEN or any of its Affiliates or Sublicensees of a Collaboration Product in the Territory; and (d) any SGEN Background Agreement; except, in any such case, to the extent such Damages arise out of or result from the negligence, recklessness, willful misconduct or intentional wrongful acts or omissions or breach of this Agreement by PIRS or a PIRS Indemnitee or matters for which PIRS is obligated to indemnify SGEN under Section 14.1.

14.3. Indemnification and Defense Procedures.

14.3.1. Notice of Claim. All claims for indemnification or defense by a Party as provided herein shall be made solely by the Party seeking indemnification or defense of a Third Party Claim or remedies for any Damages (the "Indemnified Party"). The Indemnified Party shall give written notice of the same to the other Party (the "Indemnifying Party") reasonably promptly after the assertion against the Indemnified Party of any Third Party Claim or fact in respect of which the Indemnified Party intends to base a claim for indemnification hereunder (a "Claim Notice"), provided, however, that failure or delay to provide such Claim Notice shall not affect the Indemnifying Party's indemnification or defense obligations, except to the extent such failure materially and adversely affects the ability to defend such claim. Each Claim Notice must contain a description of the Third Party Claim and the nature and amount of any Damages (to the extent that the nature and amount of such Damages is known at such time). The Indemnified Party shall furnish promptly to the Indemnifying Party copies of all notices, papers, correspondence, communications, and official documents (including court papers) previously received or sent and thereafter that the Indemnified Party continues to receive or send in respect of any such Third Party Claim.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

14.3.2. Assumption of Defense. To the extent permitted by applicable Laws, the Indemnifying Party shall assume the defense and handling of such Third Party Claim, at the Indemnifying Party's sole expense in accordance with Section 14.3.3.

14.3.3. Indemnification Procedure. In assuming the defense of any Third Party Claim, the Indemnifying Party: (a) shall act diligently and in good faith with respect to all matters relating to the defense, settlement or disposition of such Third Party Claim as the defense, settlement or disposition relates to the Indemnified Party; (b) may, at its own cost, appoint as counsel in connection with conducting the defense and handling of such Third Party Claim any law firm or counsel reasonably selected by the Indemnifying Party and reasonably acceptable to the Indemnified Party; (c) keep the Indemnified Party informed of the status of such Third Party Claim; (d) shall have the right to settle the Claim on any terms the Indemnifying Party chooses, subject to prior notification to the Indemnified Party; provided that the Indemnifying Party shall not settle or otherwise resolve any Third Party Claim which could lead to liability or create any financial or other obligation on the part of the Indemnified Party for which the Indemnified Party is not entitled to indemnification hereunder or which admits any wrongdoing or responsibility for the claim on behalf of the Indemnified Party, without prior written consent of the Indemnified Party, which may not be unreasonably withheld or delayed. The Indemnified Party shall reasonably cooperate with the Indemnifying Party in its defense of any Third Party Claim for which the Indemnifying Party has assumed the defense in accordance with this Section 14.3.3, and shall have the right (at its own expense) to be present in person or through counsel at all legal proceedings giving rise to the right of indemnification.

14.3.4. Indemnified Party Right to Participate. If the Indemnifying Party fails to conduct the defense and handling of any Third Party Claim in good faith or if the Third Party Claim seeks non-monetary relief, (a) the Indemnified Party may at the Indemnifying Party's expense, select counsel reasonably acceptable to the Indemnifying Party in connection with conducting the defense and handling of such Third Party Claim and defend against, and consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim in any manner the Indemnified Party may deem reasonably appropriate (and the Indemnified Party shall regularly inform the Indemnifying Party of the status of such Claim and consult with the Indemnifying Party but shall have no obligation hereunder to obtain any consent from, the Indemnifying Party in connection

therewith, except that the Indemnified Party shall not settle such Third Party Claim without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed); and (b) the Indemnifying Party shall remain responsible to indemnify the Indemnified Party as provided in this Section 14.3.4. If the Indemnified Party elects to defend or handle such Third Party Claim in accordance with this Section 14.3.4, the Indemnifying Party shall cooperate with the Indemnified Party, at the Indemnified Party's request but at no expense to the Indemnified Party, and shall be entitled to participate in the defense and handling of such Third Party Claim with its own counsel and at its own expense.

14.4. Insurance. During the Term and thereafter for a period of [***] years, each Party shall procure and maintain adequate insurance coverage with internationally-reputable company or a program of self-insurance (which shall be of types and amounts sufficient to cover the liabilities hereunder, contingent or otherwise of such Party and its Affiliates). It is understood that such insurances shall not be construed to create a limit of either Party's liability with respect to its indemnification obligations under this Section 14. Each Party shall provide the other Party with written evidence of such insurance upon request. Each Party shall provide the other Party with written notice at least [***] days prior to the cancellation, non-renewal or material change in the insurance coverage.

14.5. DISCLAIMER OF LIABILITY. IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS RESPECTIVE AFFILIATES AND THEIR RESPECTIVE OFFICERS, DIRECTORS AND EMPLOYEES BE LIABLE UNDER THIS AGREEMENT FOR SPECIAL, INDIRECT, PUNITIVE, INCIDENTAL, OR CONSEQUENTIAL DAMAGES SUFFERED BY THE OTHER PARTY UNDER THIS AGREEMENT, WHETHER IN CONTRACT, WARRANTY, TORT, NEGLIGENCE OR OTHERWISE. NOTWITHSTANDING THE FOREGOING, THIS DISCLAIMER DOES NOT APPLY TO LIABILITY OR DAMAGES (A) RESULTING FROM A BREACH OF CONFIDENTIALITY OBLIGATIONS OF A PARTY UNDER SECTION 11 OR (B) SUBJECT TO A PARTY'S INDEMNIFICATION OBLIGATIONS PURSUANT TO SECTION 14.1, SECTION 14.2 OR SECTION 14.3.

15. Term & Termination

15.1. Term. The term of this Agreement (the "Term") will commence on the Effective Date and will extend, unless this Agreement is terminated earlier in accordance with Section 15.2, (i) with respect to Collaboration Products (other than the CoPro Product, if any), on a Collaboration Product-by-Collaboration Product and country-by-country basis, until such time as the Royalty Term for such Collaboration

by-country basis, until such time as the Royalty Term for such Collaboration

Product expires, or (ii) with respect to the CoPro Product, the later of: (y) such time as the Royalty Term for such CoPro Product expires, and (z) such time as the Parties are no longer co-promoting the CoPro Product in the CoPro Territory. Upon the natural expiration (as opposed to termination) of the Royalty Term with respect to a Collaboration Product (other than a CoPro Product): (a) the licenses granted by PIRS to SGEN under this Agreement with respect to such Collaboration Product shall become irrevocable, fully paid-up and royalty-free licenses and shall last as long as SGEN intends to Develop or Commercialize the applicable Collaboration Product in such country, and (b) Section 9.2 shall no longer apply to the Parties solely with respect to the Development and Commercialization of such Collaboration Product in such country (including the Manufacture thereof solely for such Development and Commercialization purposes). [***].

15.2. Termination. Notwithstanding anything in this Agreement or elsewhere to the contrary, subject to Section 15.3.3 below, this Agreement may be terminated as follows:

15.2.1. Termination for Material Breach. Either Party shall have the right to terminate this Agreement in the event the other Party has materially breached or materially defaulted in the performance of any of its obligations hereunder which breach or default is material in the overall context of the Agreement, and such breach has continued for [***] days after written notice thereof was provided to the breaching Party by the non-breaching Party, which clearly describes the material breach and remedies (including, for avoidance of doubt, termination of the Agreement) that the non-breaching Party intends to apply should the breach remain uncured. Any such termination shall become effective at the end of such [***] day period if, prior to the expiration of the [***] day period, the breaching Party has not cured any such breach or default, provided, that with respect to a breach of such Party's Commercially Reasonable Efforts obligations to Develop or Commercialize a Compound, such cure period shall be extended for a period not to exceed an additional [***] days in the event such breaching Party has, within the original [***] day period prepared and communicated to the non-breaching Party, a remediation plan reasonably designed to cure such breach or default within a reasonable period of time (which plan is reasonably acceptable to the non-breaching Party) and such breaching Party continues to diligently use Commercially Reasonable Efforts to implement such plan throughout such period. If the allegedly breaching Party disputes the breach and provides written notice of that dispute to the other Party, the matter shall be addressed under the dispute resolution provisions in Section 16.2, and the notifying Party may not terminate this Agreement until it has

been finally determined under Section 16.2 that the Agreement was materially breached as described above and the breaching Party fails to cure such breach within the time periods set forth above following such determination. In the event the breach is limited to one or more Compounds, the non-breaching Party will have the right to terminate this Agreement solely with respect to the applicable Compound(s).

15.2.2. Termination by Mutual Agreement. This Agreement (as a whole or on a Compound-by-Compound or country-by-country basis) may be terminated by the mutual written consent of the Parties.

15.2.3. Termination by SGEN for Convenience. SGEN may terminate this Agreement on a Compound-by-Compound basis by providing ninety (90) days' prior written notice to PIRS (unless such SGEN has Initiated a Pivotal Clinical Study for such Compound, in which case such notice period shall be one hundred and eighty (180) days), with such termination being effective upon the end of such ninety (90)-day or one hundred and eighty (180)-day notice period. Notwithstanding the foregoing, during the Research Term for a given SGEN Antibody Target, SGEN may only terminate with respect to all [***] Research Candidates that include the same SGEN Antibody Target (i.e., may not terminate with respect to a single Research Candidate). Further notwithstanding the foregoing, SGEN shall not terminate this Agreement prior to the Second Approved SGEN Antibody Target being designated.

15.2.4. Termination for Insolvency. Either Party may terminate this Agreement if, at any time, the other Party will file in any court or agency pursuant to any statute or regulation of any state or country, a petition in bankruptcy or insolvency or for the appointment of a receiver or trustee of the Party or of substantially all of its assets, or if the other Party proposes a written agreement of composition or extension of substantially all of its debts, or if the other Party will be served with an involuntary petition against it, filed in any insolvency proceeding, and such petition will not be dismissed within [***] days after the filing thereof, or if the other Party will propose or be a party to any dissolution or liquidation, or if the other Party will make an assignment of substantially all of its assets for the benefit of creditors. Upon the bankruptcy of any Party, the non-bankrupt Party will further be entitled to a complete duplicate of, or complete access to, any such intellectual property, and such, if not already in its possession, will be promptly delivered to the non-bankrupt Party, unless the bankrupt Party

elects to continue, and continues, to perform all of its obligations under this Agreement.

15.2.5. Termination for Safety. SGEN may terminate this Agreement with respect to a Collaboration Product immediately upon written notice to PIRS if such Collaboration Product demonstrates a Safety Issue in humans.

15.2.6. Termination for Patent Challenge.

15.2.6.1. If SGEN (a) disputes, or assists any Third Party to dispute, the validity of any Patent within the PIRS IP, PIRS Platform IP or PIRS Platform Improvement IP Covering a Collaboration Product in a patent re-examination, inter-partes review, post-grant or other patent office proceeding, opposition, litigation, or other court proceeding and (b) within [***] days written notice from PIRS, SGEN fails to rescind any and all of such actions, then PIRS may terminate this Agreement upon written notice to SGEN. Notwithstanding the above, nothing in this clause prevents SGEN from taking any of the actions referred to in this clause and provided further that PIRS will not have the right to terminate if SGEN:

(a) asserts invalidity as a defense in any court proceeding brought by PIRS asserting infringement of one of the foregoing Patents;

(b) acquires a Third Party that has an existing challenge, whether in a court or administrative proceeding, against one of the foregoing Patents; or

(c) licenses a product for which PIRS has an existing challenge, whether in a court or administrative proceeding, against one of the foregoing Patents.

15.2.6.2. If PIRS (a) disputes, or assists any Third Party to dispute, the validity of any Patent within the SGEN IP Covering a Collaboration Product in a patent re-examination, inter-partes review, post-grant or other patent office proceeding, opposition, litigation, or other court proceeding and (b) within [***] days written notice from SGEN, PIRS fails to rescind any and all of such actions, then SGEN may terminate this Agreement upon written notice to PIRS. Notwithstanding the above, nothing in this clause prevents PIRS from taking any of the actions referred to in this clause and provided further that SGEN will not have the right to terminate if PIRS:

(a) asserts invalidity as a defense in any court proceeding brought by SGEN asserting infringement of one of the foregoing Patents;

(b) acquires a Third Party that has an existing challenge, whether in a court or administrative proceeding, against one of the foregoing Patents; or

(c) licenses a product for which SGEN has an existing challenge, whether in a court or administrative proceeding, against one of the foregoing Patents.

15.3. Effects of Termination.

15.3.1. Effects of Termination. In the event of a termination of this Agreement in its entirety or with respect to one or more Compounds pursuant to (a) Section 15.2.1 (Material Breach) by either Party, (b) Section 15.2.2 (Mutual Agreement), (c) Section 15.2.4 (Insolvency) by either Party, (d) Section 15.2.5 (Safety), or (e) Section 15.2.6 (Patent Challenge) by either Party, in each case without prejudice to any other remedies of a Party, including the right to claim damages, the following terms shall apply:

15.3.1.1. All Development, Manufacture, and Commercialization of such terminated Compound(s) (and any Research Candidate that includes the same SGEN Building Block as such Compound) by either Party shall immediately cease;

15.3.1.2. Each Party will return to or destroy (and certify such destruction to the other Party), at the other Party's option, all of the other Party's Confidential Information related to the terminated Compound(s), except for Joint Know-How or Data that such Party is permitted to use pursuant to Section 2.6.1 (provided that a Party shall be entitled to retain one (1) copy for archival and compliance purposes, and as required by applicable Law or regulatory requirement);

15.3.1.3. The licenses granted by each Party to the other under, respectively, the PIRS IP and SGEN IP shall immediately terminate; and

15.3.1.4. The non-compete set forth in Section 9.2 regarding the terminated Compound (including the discontinued Targets pairs therein, except to the extent such Target pairs are contained within a Compound for which this Agreement remains in effect) will no longer apply.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

15.3.2. Reversion Rights. In the event that SGEN terminates this Agreement in its entirety or with respect to any given Compound for convenience pursuant to Section 15.2.3, then the following provisions shall apply on a terminated Compound-by-terminated Compound basis:

15.3.2.1. Except as set forth in this Section 15.3.2, SGEN shall immediately cease any Research, Development, Manufacturing or Commercialization of the terminated Compound and any other Research Candidate that includes the same SGEN Building Block as such Compound;

15.3.2.2. At PIRS' request, SGEN will return to PIRS or destroy (and certify such destruction to PIRS), at PIRS' option, all PIRS' Confidential Information and Know-How related to the terminated Compound(s), except for Joint Know-How or Data that SGEN is permitted to use pursuant to Section 2.6.1 (provided that SGEN shall be entitled to retain one (1) copy for archival and compliance purposes, and as required by applicable Law or regulatory requirement);

15.3.2.3. All licenses and sublicenses granted by PIRS to SGEN hereunder with respect to the terminated Compound shall terminate, provided however that they will continue solely to enable SGEN to (i) complete sales of Compounds for any purchase orders that were in place prior to the effective date of termination and (ii) sell off any existing inventory of Compounds that PIRS does not purchase pursuant to Section 15.3.2.4(h); thereafter, SGEN will discontinue Commercialization of the applicable Compound in the applicable countries;

15.3.2.4. On a terminated Compound-by-terminated Compound basis, to the extent requested by PIRS in writing within [***] days of the effective date of such termination, SGEN shall, subject to any SGEN obligations to Third Parties in existence as of the effective date of termination, enter into an agreement whereby SGEN exclusively licenses (such license exclusive solely with respect to the terminated Compound), with the right to sublicense, to PIRS the SGEN IP Covering the SGEN Building Block in such terminated Compound as it exists as of the effective date of termination (to the extent such terminated Compound (a "Terminated Compound") was a Research Candidate at the time of termination, it shall be considered a "Terminated Candidate" and to the extent such Terminated Compound was a Collaboration Product at the time of termination, it shall be considered a "Terminated Product") and that is necessary or reasonably useful to (and for the sole purpose of) further Develop, Manufacture, and Commercialize such Terminated Compound. Such license, to the extent that it constitutes a

such Terminated Compound. Such license, to the extent that it constitutes a

sublicense of any Know-How or Patents of a Third Party, shall be subject to the applicable terms of SGEN's license agreement with such Third Party with respect to such Know-How or Patents, provided that SGEN disclosed such agreement to PIRS prior to the license grant and PIRS elected in writing to receive such sublicense under such terms. For clarity, such license grant to PIRS with respect to any SGEN Building Block IP within the SGEN IP shall be exclusive solely with respect to the Terminated Compound, and no other right or license shall be granted to PIRS under such SGEN Building Block IP (e.g., to develop and commercialize the applicable SGEN Building Block as a standalone product or as a component of an unrelated product)), provided that if the Terminated Compounds are the [***] Research Candidates that include the same SGEN Antibody Target (i.e. such termination occurred prior to [***]), then such license shall be with respect to all [***] Research Candidates, each of which shall be considered a Terminated Candidate. With respect to any Terminated Compound for which SGEN has granted a license pursuant to this Section 15.3.2.4:

(a) On a Terminated Compound-by-Terminated Compound basis, the obligations of this Agreement relating to Development and Commercialization of a Collaboration Product shall apply *mutatis mutandis* with respect to PIRS's further Development and Commercialization of the Terminated Compound (e.g., PIRS shall (i) provide annual reports and updates for such Terminated Product to the JSC pursuant to Section 3.5, and (ii) comply with the diligence obligations of Section 9.1.2 with respect to such Terminated Compound.

(b) If the Terminated Compound is a Terminated Candidate, then, on a Terminated Candidate-by- Terminated Candidate basis, [***] for such Research Candidate, PIRS shall provide SGEN written notice of its intent to [***] for the Research Candidate and shall pay SGEN the amount of [***] Dollars ($[***]) within [***] days of providing such notice.

(c) If the Terminated Compound is a Terminated Candidate, upon PIRS's payment of the applicable amount under (b) above for a Terminated Candidate, such Terminated Candidate shall become a "PIRS Collaboration Product". For avoidance of doubt, only a Terminated Candidate has the potential to become a PIRS Collaboration Product; a Terminated Product can never become a PIRS Collaboration Product.

(d) In addition, for each PIRS Collaboration Product, SGEN shall have and PIRS hereby grants to SGEN as of the Effective Date the

shall have—and PTKS hereby grants to SGEN as of the Effective Date—the

exclusive option (exercisable at SGEN's sole discretion) to opt into [***] global co-Development and co-Commercialization of such PIRS Collaboration Product. For each such exclusive option, (i) PIRS shall issue a written option notice to SGEN for such PIRS Collaboration Product prior to Initiating the first Pivotal Clinical Study therefor, such option notice to include an initial Development plan and related budget for the Collaboration Product including a regulatory strategy for obtaining Marketing Approval from the [***] for the [***] and the [***] for the [***] for the Collaboration Product as well as an accounting of [***] between [***] and the [***] ("Reimbursable [***] and (ii) if SGEN timely exercises such option, [***]. Moreover, for each PIRS Collaboration Product, within [***] days of the applicable option exercise effective date, the Parties shall enter into an agreement for further co-Development and co-Commercialization of such PIRS Collaboration Product pursuant to which [***]. For clarity, the Parties will share [***] in the Profits and Losses for such PIRS Collaboration Product.

(e) In the event that SGEN does not timely exercise an option for a PIRS Collaboration Product, then (i) the reporting obligations in Section 3.5, the obligation to [***], and the obligation to pay [***] shall apply [***] to PIRS's continued Development and Commercialization of such PIRS Collaboration Product, and (ii) on a PIRS Collaboration Product-by-PIRS Collaboration Product and country-by-country basis, PIRS shall pay to SGEN a royalty on Annual Calendar Year Net Sales of such PIRS Collaboration Product in accordance with the [***], in each case plus [***] percent ([***]%), for a period commencing with the First Commercial Sale of such PIRS Collaboration Product and ending with respect to such PIRS Collaboration Product in such country on the later of (a) [***] years thereafter in such country; (b) last to expire Regulatory Exclusivity relating to such PIRS Collaboration Product; or (c) expiration of the last to expire Valid Claim within any Patent Rights within the SGEN IP licensed to PIRS pursuant to this Section 15.3.2.4, in each case Covering the import, use, sale or offer for sale (but, for clarity, not the Manufacturing) of such PIRS Collaboration Product in such country of sale, including by 35 U.S.C. § 271(g) or any foreign equivalent. ARTICLE 8 shall apply *mutatis mutandis* to such PIRS Collaboration Product.

(f) For avoidance of doubt, Section 15.3.2.4 (b) through (e) (ii) shall not apply to any Terminated Product.

(g) At the request of PIRS, for any Terminated Product, the Parties will discuss in good faith the wind-down or continuation of any ongoing Clinical Studies for such Terminated Product being conducted by or on behalf of SGEN at the time of termination; provided that, at PIRS' option, SGEN shall use reasonable efforts to transition such Clinical Study to PIRS or its designated contract research organization (at PIRS' expense, including for any time periods where SGEN must continue to dedicate resources to such Clinical Study after the effective date of the termination).

(h) PIRS shall have the right to acquire some or all of the inventory of the Terminated Product, as requested by PIRS, in the possession of SGEN and its Affiliates as of the date of such termination, provided that, if PIRS so acquires any or all such inventory, PIRS shall reimburse SGEN the cost incurred by SGEN for such inventory (including shipping costs).

(i) SGEN will, subject to PIRS' reasonable assistance and to the extent legally permissible (including to the extent permitted under SGEN's obligations to Third Parties in existence as of the effective date of termination), (i) transfer and assign to PIRS or PIRS' designee SGEN's right, title and interest in and to all material governmental or regulatory filings and approvals (including all Regulatory Approvals and pricing approvals, and Regulatory Materials, in all cases, specifically and exclusively relating to the Terminated Product), and (ii) use Commercially Reasonable Efforts to transfer to PIRS or PIRS' designee (to the extent not already provided) copies of all material Know-How in SGEN's possession or Control and licensed to PIRS pursuant to Section 15.3.2.4, to the extent specifically related to and required for the Research, Development, Manufacture, or Commercialization of the Terminated Product. In addition, SGEN will appoint PIRS as SGEN's and/or SGEN's Affiliates' agent for all Terminated Product-related matters involving Regulatory Authorities until all Regulatory Approvals and other regulatory filings hereunder have been assigned to PIRS or its designee. In the event of (x) failure to obtain assignment or (y) with respect to regulatory items that would otherwise fall within (i) and (ii) but for such materials not being specifically related to the Terminated Product and/or subject to Third Party rights, but nonetheless which are necessary for the Research, Development, Manufacture, or Commercialization of the Terminated Product above, in each of (x) and (y) SGEN shall use Commercially Reasonable Efforts to grant to PIRS the right to access and reference (without any further action required on the part of SGEN) any such item with respect to the Terminated Product.

(j) If SGEN or its Affiliates have initiated GMP manufacturing of the Terminated Product as of the effective date of termination, and at PIRS' option, SGEN or its Affiliates will use Commercially Reasonable Efforts to supply such Terminated Product (for clarity, solely in the form as such Terminated Product was being manufactured by SGEN as of the effective date of termination) to PIRS at SGEN's fully-burdened cost of goods sold (which shall be calculated in accordance with SGEN's standard internal policies) plus [***] percent ([***]%), until the earlier of (i) successful transition of manufacturing activities for the Terminated Product to PIRS or its Third Party CMO, and (ii) [***] months following the effective date of termination. The Parties will promptly negotiate a supply and related quality agreement to govern the specific terms and conditions of such supply of the Terminated Product. Furthermore, SGEN shall use Commercially Reasonable Efforts to support a technology transfer for the manufacturing of such Terminated Product from its own manufacturing facility to a new manufacturing facility of Pieris' choice, subject to reimbursement by PIRS of SGEN's reasonable Out-of-Pocket and FTE Cost incurred in connection with such technology transfer activities. If PIRS so requests SGEN will assign to PIRS any Third Party agreements that are specific to the Research, Development, Manufacture, or Commercialization of the Terminated Product, and to which SGEN is a party, subject to any required consents of such Third Party.

(k) SGEN will use Commercially Reasonable Efforts, and subject to PIRS' reasonable assistance, to the extent legally permissible (including to the extent permitted under SGEN's obligations to Third Parties in existence as of the effective date of termination), to promptly transfer and assign or exclusively license (or, if applicable, will cause its Affiliates to assign) to PIRS all of SGEN's (and such Affiliates') worldwide right, title and interest in and to any registered trademarks or registered internet domain names that are specific to and exclusively used for the Terminated Product (it being understood that the foregoing will not include any trademarks or internet domain names that contain the corporate or business name(s) of SGEN or any of its Affiliates or any other products of SGEN or any of its Affiliates).

(l) More generally, SGEN shall use Commercially Reasonable Efforts to ensure a smooth and orderly transition of a Terminated Compound in accordance with this Section 15.3.2.4 pursuant to a termination agreement to be negotiated in good faith by the Parties within

[***] months following the termination notice. Such agreement shall be consistent with this Section 15.3.2.4.

(m) For avoidance of doubt, the non-compete set forth in Section 9.2 will no longer apply to any Terminated Compound, including the discontinued Targets pairs therein, except to the extent such Target pairs are contained (i) within a Compound for which this Agreement remains in effect, or (ii) within a Terminated Candidate that PIRS is actively developing.

(n) In consideration of the rights granted by SGEN to PIRS set forth herein under Section 15.3.2.4, with respect to each Terminated Product, PIRS shall pay to SGEN a flat royalty on Net Sales of such Terminated Product of [***] percent ([***]%) if the Terminated Product is terminated prior to the Initiation of the first Phase 1 Clinical Study, [***] percent ([***]%) if the Terminated Product is terminated after the Initiation of the first Phase 1 Clinical Study but prior to the Initiation of the first Phase 2 Clinical Study, [***] percent ([***]%) if the Terminated Product is terminated after the Initiation of the first Phase 2 Clinical Study but prior to the Initiation of the first Pivotal Clinical Study, and [***] percent ([***]%) if the Terminated Product is terminated after the Initiation of the first Pivotal Clinical Study. This royalty shall be payable by PIRS to SGEN on a country-by-country basis with respect to each Terminated Product for a period commencing with the First Commercial Sale of such Terminated Product and ending with respect to such Terminated Product in such country on the later of (a) [***] years thereafter in such country; (b) last to expire Regulatory Exclusivity relating to such Terminated Product; or (c) expiration of the last to expire Valid Claim within any Patent Rights within the SGEN IP licensed to PIRS pursuant to Section 15.3.2.4, in each case, Covering the import, use, sale or offer for sale (but, for clarity, not the Manufacturing) of such Terminated Product in such country of sale, including by 35 U.S.C. § 271(g) or any foreign equivalent. Sections 8.1, 8.2, 8.3 and 8.4 shall apply *mutatis mutandis* to such Terminated Product. In addition, [***] in the event that PIRS elects in writing to receive a sublicense to the applicable Third Party Know-How or Patents after SGEN's disclosure to PIRS of the terms thereof pursuant to 15.3.2.4.

15.3.3. Rights in Bankruptcy. All rights and licenses granted under or pursuant to this Agreement are, and shall otherwise be deemed to be, for all purposes of Section 365(n) of the US Bankruptcy Code and of any similar or analogous provisions of applicable Laws outside of the US (the

"Bankruptcy Code"), licenses and rights to "intellectual property" as defined under Section 101(35A) of the U.S. Bankruptcy Code. Each Party agrees that the other Party, as licensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the Bankruptcy Code. In the event of the commencement of a bankruptcy proceeding by or against a Party under the Bankruptcy Code (the "Insolvent Party"), the other Party shall be entitled to a complete duplicate of (or complete access to, as appropriate) any intellectual property and Know-How licensed to such Party under this Agreement and held by such first Party and its successors and assigns (and all embodiments of such intellectual property and Know-How), provided that, a Party shall not be required to provide any duplicate copies and embodiments of such intellectual property or Know-How to the other Party so long it has already provided such intellectual property and Know-How it is required to provide to under this Agreement, and, if not already in its possession, shall be promptly delivered to it (a) upon any such commencement of a bankruptcy proceeding upon its written request therefore, unless the Insolvent Party continues to perform all of its obligations under this Agreement, or (b) if not delivered or granted under (a) above, following the rejection of this Agreement by or on behalf of the Insolvent Party upon written request therefore by the other Party.

15.3.4. Survival. The termination or expiration of this Agreement shall not affect any payment of any debts or obligations accruing prior to or after such date of termination or expiration. Section 1 (to the extent necessary to give effect to the surviving provisions); Section 2.6.1 (subject to maintaining confidentiality for any applicable Data of the other Party that is the other Party's Confidential Information pursuant to Section 11); Section 2.6.2 (the first sentence); Section 7 (with respect to any payments (including milestones and royalties) accrued during the Term as well as with respect to Net Sales accrued following the Term during a permitted sell-off period under Section 15.3.2.3; Section 8 (with respect to the last Calendar Quarter of the Term or following the Term for any permitted sell-off period under Section 15.3.2.3 and for final, post-Term accounting); Section 10.1; Section 10.2 (solely with respect to Patents jointly owned by the Parties pursuant to the terms of this Agreement); Section 10.3 (the last three sentences); Section 10.7; Section 11 (for the period of time set forth in Section 11.1); Section 13.3.2; Section 14; Section 15.1 (last sentence solely upon the natural expiration of this Agreement); Section 15.3; and Section 17 will survive the expiration or any termination of this Agreement for any reason, in accordance with their respective terms and conditions, and for the

respective duration stated therein, and where no duration is stated, will survive indefinitely. In addition, any Section that is referred to in the above listed Sections shall survive solely for the interpretation or enforcement of the latters.

15.4. Rights and obligations Accrued under the Original Agreement. Any accrued liabilities or obligations and any claims for breach or non-performance of the Original Agreement shall survive and nothing in this Agreement shall be viewed as a waiver of any such accrued liability, obligation or claim.

16. Miscellaneous

16.1. Restrictions; No Other Licenses. Except as expressly set forth hereunder, neither Party grants to the other Party any rights, licenses, or covenants in or to any Intellectual Property Rights, whether by implication, estoppel, vicariously, indirectly, or otherwise, other than the license rights that are specifically and expressly granted under this Agreement. All rights not specifically and expressly granted by a licensing Party under this Agreement are reserved by such licensing Party and may be used or practiced by such licensing Party for any purpose.

16.2. Dispute Resolution. For any Dispute, the Alliance Managers will attempt in good faith to resolve such Dispute, failing which either Party may cause such Dispute to be referred to the Senior Executives for resolution. The Senior Executives shall attempt in good faith to resolve such Dispute by unanimous consent. If the Senior Executives cannot resolve such Dispute within [***] days of the matter being referred to them, then Section 16.2.1 or Section 16.2.2 shall apply, as applicable.

16.2.1. Arbitration. In the event a dispute arises (each, a "Dispute") that is not a Diligence-Related Dispute, then either Party may submit such Dispute to arbitration for final resolution by arbitration request (the "Arbitration Request") under the Rules of Arbitration of the International Chamber of Commerce (the "Rules") by three (3) arbitrators appointed in accordance with the said Rules (each such arbitration, an "Arbitration"). Each Arbitration will be conducted in English and all foreign language documents shall be submitted in the original language and, if so requested by any arbitrator or Party, shall also be accompanied by a translation into English. The place of arbitration shall be New York, NY. The arbitrators in any Arbitration shall enforce and not modify the terms of this Agreement. The award of the arbitrators shall be final and binding on each Party and its respective successors and assigns. All costs and expenses of any Arbitration, including reasonable attorneys' fees and expenses and the

administrative and arbitrator fees and expenses, shall be borne by the Parties as determined by the arbitrators.

16.2.2. Accelerated Arbitration.

16.2.2.1. Initiation of Arbitration. Notwithstanding Section 16.2.1, in the event that a Dispute arises regarding SGEN's diligence in the Research, Development, Manufacture or Commercialization of a Collaboration Product as set forth in Section 9.1.2.2(d) (a "Diligence-Related Dispute"), then this Section 16.2.2.1 shall govern the dispute resolution process with respect to such Diligence-Related Dispute. In the event of a Diligence-Related Dispute, either Party may submit such Dispute to arbitration for final resolution by arbitration request (the "Accelerated Arbitration Request") under the International Chamber of Commerce Expedited Procedure Rules ("Expedited Rules") by a single arbitrator appointed in accordance with said Expedited Rules (each such arbitration, an "Accelerated Arbitration"). The arbitrator appointed shall have at least [***] years' experience in the life sciences industry and shall have the requisite background and expertise with respect to the particular issue that is the subject of the Diligence-Related Dispute.

16.2.2.2. Exchange of Proposals. Within [***] days of the appointment of the arbitrator, each Party will deliver to the arbitrator and the other Party a detailed written proposal setting forth its proposed terms for the resolution of the dispute at issue (the "Proposed Terms") and a memorandum (the "Support Memorandum") in support thereof, not exceeding [***] pages in length. The Parties will also provide the arbitrator with a copy of this Agreement, as amended through such date. Within [***] days after receipt of the other Party's Proposed Terms and Support Memorandum, each Party may submit to the arbitrator (with a copy to the other Party) a response to the other Party's Proposed Terms and Support Memorandum, such response not exceeding [***] pages in length. Neither Party may have any other communications (either written or oral) with the arbitrator other than for the sole purpose of engaging the arbitrators or as expressly permitted in this Section 16.2.2.2; provided, that, the arbitrator may, in his or her discretion, convene a hearing to ask questions of the Parties and hear oral argument and discussion regarding each Party's Proposed Terms and Support Memorandum, at which time each Party shall have an agreed upon time to argue and present witnesses in support of its Proposed Terms.

16.2.2.3. Selection of Final Proposal. Within [***] days after the arbitrator is appointed, the arbitrator panel shall select one of the two

arbitrator is appointed, the arbitrator panel shall select one of the two

Proposed Terms (without modification) provided by the Parties which most closely reflects a commercially reasonable interpretation of the terms of this Agreement. In making its selection, (i) the arbitrator shall not modify the terms or conditions of either Party's Proposed Terms nor shall the arbitrator combine provisions from both Proposed Terms and (ii) the arbitrator shall consider the terms and conditions of this Agreement, the relative merits of the Proposed Terms, the Support Memorandums and, if applicable, the oral arguments of the Parties.

16.2.2.4. Notification of Decision. The arbitrator shall make its decision known to both Parties as promptly as possible by delivering written notice to both Parties. The Parties shall agree in writing to comply with the Proposed Terms selected by the arbitrator within [***] days of receipt of such written decision, which agreement may be made pursuant to an amendment to this Agreement. The decision of the arbitrator shall be final and binding on the Parties, and specific performance may be ordered by any court of competent jurisdiction.

16.2.2.5. Miscellaneous. Each Arbitration will be conducted in English and all foreign language documents shall be submitted in the original language and, if so requested by any arbitrator or Party, shall also be accompanied by a translation into English. The place of arbitration shall be New York, NY. The arbitrators in any Arbitration shall enforce and not modify the terms of this Agreement. The award of the arbitrator shall be final and binding on each Party and its respective successors and assigns. All costs and expenses of any Arbitration, including reasonable attorneys' fees and expenses and the administrative and arbitrator fees and expenses, shall be borne by the Parties as determined by the arbitrator.

16.2.3. Confidentiality. Except to the limited extent necessary to comply with applicable Law, legal process, or a court order or to enforce a final settlement agreement or secure enforcement or vacatur of the arbitrator's award, the Parties agree that the existence, terms and content of any Arbitration, all information and documents disclosed in any Arbitration or evidencing any arbitration results, award, judgment or settlement, or the performance thereof, and any allegations, statements and admissions made or positions taken by either Party in any Arbitration shall be treated and maintained in confidence and are not intended to be used or disclosed for any other purpose or in any other forum.

16.2.4. Communications with Internal Counsel. In the course of the negotiation and implementation of this Agreement and the resolution of any

negotiation and implementation of this Agreement and the resolution of any

disputes, investigations, administrative or other proceedings relating thereto, each Party will call upon the members of its internal legal department to provide advice to such Party and its directors, employees, and agents on legal matters. Notwithstanding any rights to the contrary under applicable procedural or substantive rules of law, each Party agrees not to request, produce or otherwise use any such communications between members of its legal department and directors, employees or agents in connection with any such disputes, investigations, administrative or other proceedings, to the extent such communications, if they had been exchanged between such Party and external attorneys, would have been covered by legal privilege and not disclosable.

16.3. Governing Law. This Agreement and any dispute arising from the performance or breach hereof will be governed by and construed and enforced in accordance with the Laws of New York, excluding its rules of conflict of laws.

16.4. Assignment. This Agreement will not be assignable by either Party, nor may either Party delegate its obligations or otherwise transfer any licenses granted herein or other rights created by this Agreement, except as expressly permitted hereunder, without the prior written consent of the other Party hereto, which consent will not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, each Party may assign this Agreement, without the consent of the other Party, to an Affiliate or to its Third Party successor in connection with a merger, consolidation, sale of all or substantially all of the assets to which this Agreement pertains or that portion of its business pertaining to the subject matter of this Agreement, or any Change of Control of such Party; provided that the assignee assumes all of the assigning Party's obligations under this Agreement, subject to this Section 16.4. Any assignment in violation of this provision is void and without effect.

16.5. Acquiror IP. Notwithstanding anything to the contrary in this Agreement, in the event of an acquisition of a Party or its business by an Acquiror after the Effective Date, whether by merger, asset purchase or otherwise, as to any such Acquiror, the non-acquired Party shall not obtain rights, licenses, options or access to any Intellectual Property Rights or Know-How, product candidates or products that are held by the Acquiror or any Affiliate of the Acquiror that becomes an Affiliate of the acquired Party as a result of such acquisition (but excluding the acquired Party itself), that were not generated through any use or access to the Intellectual Property Rights or Know-How of the acquired Party, or that are not licensed by the acquired Party under this Agreement prior to the date of acquisition.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

16.6. Binding Agreement. This Agreement, and the terms and conditions hereof, will be binding upon and will inure to the benefit of the Parties and their respective successors, heirs, administrators and permitted assigns.

16.7. Force Majeure. Except for payment obligations under this Agreement, no Party will be held liable or responsible to the other Party nor be deemed to be in default under, or in breach of any provision of, this Agreement for failure or delay in fulfilling or performing any obligation of this Agreement when such failure or delay is due to force majeure, and without the fault or negligence of the Party so failing or delaying. For purposes of this Agreement, "force majeure" is defined as causes beyond the control of the Party, including, without limitation, acts of God; Laws of any government; war; civil commotion; destruction of production facilities or materials by fire, flood, earthquake, explosion, or storm; labor disturbances; epidemic; and failure of public utilities or common carriers. In the event of force majeure, PIRS or SGEN, as the case may be, will immediately notify the other Party of such inability and of the period for which such inability is expected to continue. The Party giving such notice will thereupon be excused from such of its obligations under this Agreement as it is thereby disabled from performing for so long as such Party is so disabled, up to a maximum of [***] days, after which time the Party not affected by the force majeure may terminate this Agreement. To the extent possible, each Party will use reasonable efforts to minimize the duration of any force majeure.

16.8. Notices. Any notice or request required or permitted to be given under or in connection with this Agreement will be deemed to have been sufficiently given if in writing and personally delivered or sent by certified mail (return receipt requested), facsimile transmission (receipt verified), email or overnight express courier service (signature required), prepaid, to the Party for which such notice is intended, at the address set forth for such Party below:

If to PIRS:

Pieris Pharmaceuticals GmbH
Zeppelinstraße 3
85399 Hallbergmoos, Germany
Attention: [***]

With a copy to:
Pieris Pharmaceuticals, Inc.
255 State Street, 9th Floor
Boston, MA 02109
Attention: [***]

Attention: [ ]

Email: [***]

If to SGEN:

Seagen Inc.
21823 30th Drive SE
Bothell, WA 98021
Attention: [***]
Facsimile: [***]
Email: [***]

or to such other address for such Party as it will have specified by like notice to the other Parties, provided that notices of a change of address will be effective only upon receipt thereof. If delivered personally or by facsimile transmission, the date of delivery will be deemed to be the date on which such notice or request was given. If sent by overnight express courier service, the date of delivery will be deemed to be the next Business Day after such notice or request was deposited with such service. If sent by certified mail, the date of delivery will be deemed to be the third (3rd) day after such notice or request was deposited with the postal service. If sent by email, the date of delivery will be deemed to be the day that the Party giving notice receives electronic confirmation of sending from its email provider.

16.9. Waiver. Neither Party may waive or release any of its rights or interests in this Agreement except in writing. The failure of either Party to assert a right hereunder or to insist upon compliance with any term or condition of this Agreement will not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition. No waiver by either Party of any condition or term in any one or more instances will be construed as a continuing waiver of such condition or term or of another condition or term.

16.10. Severability. If any provision hereof should be held invalid, illegal, or unenforceable in any jurisdiction, the Parties will negotiate in good faith a valid, legal, and enforceable substitute provision that most nearly reflects the original intent of the Parties and all other provisions hereof will remain in full force and effect in such jurisdiction and will be liberally construed in order to carry out the intentions of the Parties hereto as nearly as may be possible. Such invalidity, illegality or unenforceability will not affect the validity, legality, or enforceability of such provision in any other jurisdiction.

16.11. Entire Agreement. This Agreement, including the schedules and Exhibits hereto together with the Platform Agreement and Co-Promotion Agreement (if any), sets forth all the covenants, promises, agreements, appendices, warranties

forth all the covenants, promises, agreements, appendices, warranties,

representations, conditions, and understandings between the Parties hereto and supersedes and terminates all prior agreements and understandings between the Parties relating to the subject matter hereof as of the Effective Date; *provided that* the Original Agreement shall have been in effect from the Original Agreement Effective Date until the Effective Date hereof and shall govern the Parties' respective rights and obligations during such period of time, and this Agreement shall govern the Parties' respective rights and obligations from and after the Effective Date. There are no covenants, promises, agreements, warranties, representations, conditions, or understandings, either oral or written, between the Parties relating to the subject matter hereof other than as set forth herein and therein. No subsequent alteration, amendment, change or addition to this Agreement will be binding upon the Parties hereto unless reduced to writing and signed by the respective authorized officers of the Parties. To the extent of any conflict between the terms of this Agreement and its schedules and Exhibits, or any related agreement, the terms of this Agreement shall govern unless the Parties expressly agree otherwise in such related agreement.

16.12. Independent Contractors. Nothing herein will be construed to create any relationship of employer and employee, agent and principal, partnership, or joint venture between the Parties. Each Party is an independent contractor. Neither Party will assume, either directly or indirectly, any liability of or for the other Party. Neither Party will have the authority to bind or obligate the other Party nor will either Party represent that it has such authority.

16.13. Headings. Headings used herein are for convenience only and will not in any way affect the construction of or be taken into consideration in interpreting this Agreement.

16.14. Construction of Agreement. The terms and provisions of this Agreement represent the results of negotiations between the Parties and their representatives, each of which has been represented by counsel of its own choosing, and neither of which has acted under duress or compulsion, whether legal, economic, or otherwise. Accordingly, the terms and provisions of this Agreement will be interpreted and construed in accordance with their usual and customary meanings, and each of the Parties hereto hereby waives the application in connection with the interpretation and construction of this Agreement of any rule of Law to the effect that ambiguous or conflicting terms or provisions contained in this Agreement will be interpreted or construed against the Party whose attorney prepared the executed draft or any earlier draft of this Agreement. The definitions of the terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and

neuter forms. The Parties each acknowledge that they have had the advice of counsel with respect to this Agreement, that this Agreement has been jointly drafted, and that no rule of strict construction shall be applied in the interpretation hereof. Unless the context requires otherwise: (a) the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation"; (b) any reference to any applicable Law herein shall be construed as referring to such applicable Law as from time to time enacted, repealed or amended; (c) any reference herein to any person shall be construed to include the person's permitted successors and assigns; (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof; (e) all references herein to Articles, Sections, or Exhibits, unless otherwise specifically provided, shall be construed to refer to Articles, Sections, or Exhibits of this Agreement; (f) provisions that require that a Party, the Parties or any Committee hereunder "agree", "consent" or "approve" or the like shall require that such agreement, consent or approval be specific and in writing, whether by written agreement, electronic mail, letter, approved minutes or otherwise (but excluding instant messaging); (g) the term "or" shall be interpreted in the inclusive sense commonly associated with the term "and/or"; and (h) the words "will" and "shall" will have the same meaning in this Agreement. This Agreement has been executed in English, and the English version (which is the only version) of this Agreement shall control.

16.15. Compliance with Applicable Law. Each Party's obligations under this Agreement shall be subject to such Party's compliance with applicable Law applicable to its performance and its other obligations under the Agreement (including any anti-corruption, export control, environmental, hazardous substance, and data privacy and security Laws).

16.16. No Third Party Beneficiary. Except with respect the Indemnified Parties under Section 15, Nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person other than the Parties and their respective Affiliates, successors and assigns, any rights or remedies under or by reason of this Agreement.

16.17. Counterparts. This Agreement may be signed in counterparts, each and every one of which will be deemed an original, notwithstanding variations in format or file designation which may result from the electronic transmission, storage, and printing of copies of this Agreement from separate computers or printers . Facsimile signatures will be treated as original signatures.

IN WITNESS WHEREOF, the Parties have caused this Amended and Restated License and Collaboration Agreement to be executed by their duly authorized representatives:

For Pieris Pharmaceuticals, Inc.

By: /s/ Stephen Yoder

Name: Stephen S. Yoder

Title: President and CEO

For Seagen Inc.

By: /s/ Clay Siegall

Name: Clay B. Siegall, Ph.D.

Title: President and CEO

For Pieris Pharmaceuticals GmbH

By: /s/ Stephen Yoder

Name: Stephen S. Yoder

Title: Managing Director

Exhibit Index

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit 1.158: PIRS Patent Rights

[***]

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit 1.159: Patent Rights within the PIRS Platform Improvement IP

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit 1.160: Patent Rights within the PIRS Platform IP

[***]

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit 1.191: SGEN Antibody Target-Dependent T Cell Activation Criteria

[***]

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit 1.200: SGEN Patent Rights

The Parties agree to update following signing.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit 4.1.1.1: First Approved SGEN Antibody Target

[***]

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit 4.1.1.3(a): Second Approved SGEN Antibody Target

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit 4.1.1.3(b): Third Approved SGEN Antibody Target

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit 4.1.1.5(a): Gatekeeper Identity and Contact Information

[***]
Honigman LLP
5335 Wisconsin Avenue, NW, Ste. 440
Washington, DC 20015
[***]
[***]

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit 4.1.2: Research Candidate Plan for the First Approved SGEN Antibody Target

[***, 14 pages]

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit 4.1.2.3(a): Research Candidate Plan for the Second Approved SGEN Antibody Target

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit 4.1.2.3(b): Research Candidate Plan for the Third Approved SGEN Antibody Target

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
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Exhibit 7.2: Combination Study Agreement

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

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Exhibit 7.3: Subscription Agreement

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Exhibit 12.3.1: Press Release

Pieris Announces Amendment of Existing Immuno-oncology Multi-target Collaboration with Seagen, a Clinical Trial and Supply Agreement to Evaluate Cinrebafusp Alfa (PRS-343) in Combination with TUKYSA® (tucatinib) in Gastric Cancer, and Strategic Equity Investment by Seagen

- Seagen will supply Pieris with TUKYSA® to evaluate the drug in combination with cinrebafusp alfa (PRS-343) in gastric cancer
- Pieris' co-development option for one program from existing multi-target collaboration amended to US co-promotion option with increased royalties if exercised
- Seagen to purchase $13 million equity stake in Pieris common stock

BOSTON, MA, March 25, 2021 - ***Pieris Pharmaceuticals, Inc. (NASDAQ: PIRS)***, a clinical-stage biotechnology company advancing novel biotherapeutics through its proprietary Anticalin® technology platform for respiratory diseases, cancer, and other indications today announced that Seagen has made a strategic equity investment in Pieris as part of an ongoing collaboration between the companies. In addition, the companies have entered into a clinical trial collaboration agreement to evaluate the safety and efficacy of combining Pieris' cinrebafusp alfa (PRS-343), a 4-1BB/HER2 bispecific, with Seagen's TUKYSA® (tucatinib), a small-molecule tyrosine kinase HER2 inhibitor, for the treatment of gastric cancer patients expressing lower HER2 levels (IHC2+/ISH- & IHC1+) as part of the upcoming phase 2 study to be conducted by Pieris. The companies have also amended their existing immuno-oncology collaboration agreement around joint development and commercial rights for the second of up to three products in the alliance.

The combination of cinrebafusp alfa and TUKYSA could potentially address a high medical need in HER2 low-expressing gastric cancer patients who do not respond to traditional HER2-targeted therapies. Preclinical studies show that TUKYSA synergizes with cinrebafusp alfa to enhance its 4-1BB mediated immune cell stimulation. This effect was observed across a range of HER2 expressing cell lines (IHC3+, 2+ and 1+), including those where cinrebafusp alfa had limited single-agent activity.

Under the amended and restated agreement, Pieris' option to co-develop and co-commercialize the second of three programs in the collaboration has been amended to provide it with a co-promotion option in the United States, with Seagen solely responsible for the development and overall commercialization of that program. Under the co-promotion option, Pieris will also be entitled to increased royalties from that program in the event that it chooses to exercise the option. In connection with the amendment, on March 24, 2021, in a private placement transaction, Seagen made an equity investment of $13 million in Pieris through the purchase of 3,706,174 newly issued shares of Pieris common stock at a price of $3.51 per share.

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"Seagen continues to be a supportive partner, and we look forward to combining efforts in studying the effects of cinrebafusp alfa with TUKYSA in gastric cancer patients expressing lower HER2-levels, following the generation of compelling preclinical data," said Stephen S. Yoder, President and Chief Executive Officer of Pieris. "We plan to initiate this combination study as part of our phase 2 protocol for cinrebafusp alfa, for which we will be sharing additional details at an upcoming corporate update."

"Preclinical data exploring the combination of cinrebafusp alfa and TUKYSA are encouraging, and support evaluating the combination in the planned phase 2 clinical trial," said Marjorie Green, M.D., Senior Vice President, Late-Stage Development of Seagen. "We are pleased to supply drug for Pieris to explore the potential combination of these agents to address an important unmet medical need."

About Cinrebafusp Alfa

Cinrebafusp alfa (PRS-343) is a 4-1BB/HER2 fusion protein comprising a 4-1BB-targeting Anticalin protein and a HER2-targeting antibody. The drug candidate is currently in development for the treatment of HER2-positive solid tumors. Based on encouraging phase 1 study results, which demonstrated clinical benefit as single agent and biomarker data indicative of a 4-1BB-driven mechanism of action, the Company is actively working towards initiating a phase 2 study of cinrebafusp alfa in combination with ramucirumab and paclitaxel for the treatment of HER2-positive gastric cancer and, under the phase 2 protocol, in combination with tucatinib.

About Pieris Pharmaceuticals:

Pieris is a clinical-stage biotechnology company that discovers and develops Anticalin protein-based drugs to target validated disease pathways in a unique and transformative way. Our pipeline includes inhalable Anticalin proteins to treat respiratory diseases and immuno-oncology multi-specifics tailored for the tumor microenvironment. Proprietary to Pieris, Anticalin proteins are a novel class of therapeutics validated in the clinic and by partnerships with leading pharmaceutical companies, including AstraZeneca, Seagen, and Servier. Anticalin® is a registered trademark of Pieris. For more information, visit www.pieris.com.

Forward Looking Statements:

This press release contains forward-looking statements as that term is defined in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Statements in this press release that are not purely historical are forward-looking statements. Such forward-looking statements include, among other things, whether the combination of cinrebafusp alfa and TUKYSA could address a high medical need in HER2 low-expressing gastric cancer patients who do not respond to traditional HER2-targeted therapies; whether the effects of the combination of cinrebafusp alfa and TUKYSA seen in preclinical studies will be observed in clinical trials;

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whether data from patients enrolled to date will be sufficient to inform the recommended phase 2 dose for the Company's planned proof of concept study of cinrebafusp alfa in gastric cancer; the expected timing and potential outcomes of the reporting by the Company of key clinical data from its programs, references to novel technologies and methods and our business and product development plans, including the advancement of our proprietary and co-development programs into and through the clinic and the expected timing for reporting data, making IND filings or achieving other milestones related to our programs, including PRS-060/AZD1402, cinrebafusp alfa, PRS-344, and PRS-352 and the expected timing of the initiation of the next stage of cinrebafusp alfa's development in gastric cancer. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others, our ability to raise the additional funding we will need to continue to pursue our business and product development plans; the inherent uncertainties associated with developing new products or technologies and operating as a development stage company; our ability to develop, complete clinical trials for, obtain approvals for and commercialize any of our product candidates, including our ability to recruit and enroll patients in our studies; our ability to address the requests of the FDA; competition in the industry in which we operate; delays or disruptions due to COVID-19; and market conditions. These forward-looking statements are made as of the date of this press release, and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements, except as required by law. Investors should consult all of the information set forth herein and should also refer to the risk factor disclosure set forth in the reports and other documents we file with the SEC available at www.sec.gov, including without limitation the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and the Company's Quarterly Reports on Form 10-Q.

Investor Relations Contact:
Pieris Pharmaceuticals, Inc.
Maria Kelman
Executive Director, Investor Relations
+1 857 362 9635
kelman@pieris.com

##END##

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Exhibit 13.2.1.3: Existing PIRS Patent Rights PIRS Platform Patent Rights

[***]

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Exhibit 10.2

COMBINATION STUDY AGREEMENT

by and among

PIERIS PHARMACEUTICALS, INC.

and

PIERIS PHARMACEUTICALS GMBH

and

SEAGEN INC.

Dated: March 24, 2021

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COMBINATION STUDY AGREEMENT

This COMBINATION STUDY AGREEMENT (this "**Agreement**"), is entered into as of March 24, 2021 (the "**Effective Date**"), by and among Pieris Pharmaceuticals, Inc., a Nevada corporation located at 255 State Street, 9th floor, Boston, MA 02109 and Pieris Pharmaceuticals GmbH, a company organized and existing under the laws of Germany located at Pieris Pharmaceuticals GmbH, Zeppelinstrasse 3, 85399 Hallbergmoos, Germany (collectively and together with their Affiliates, "**PIRS**"), and **Seagen Inc.**, having a place of business at 21823 30th Drive SE, Bothell, WA 98021, USA ("**Seagen**"). PIRS and Seagen are each referred to herein individually as "**Party**" and collectively as "**Parties**".

RECITALS

A. PIRS owns or controls certain proprietary PIRS Compound, cinrebafusp alfa, a 4-1BB/HER2 bispecific molecule.

B. Seagen is developing and commercializing the certain proprietary Seagen Compound, tucatinib (TUKYSA®), a tyrosine kinase inhibitor of the HER2 protein for the treatment of certain tumor types, in collaboration with Merck & Co., Inc. (together with its Affiliates, "**Merck**").

C. The Parties have previously entered into a Material Transfer and Evaluation Agreement with an effective date of August 18, 2020 (as amended, the "**Prior MTA**").

D. PIRS desires to sponsor a clinical trial in which the Seagen Compound and the PIRS Compound would be dosed concurrently or in combination.

E. PIRS and Seagen, consistent with the terms of this Agreement, desire to collaborate as more fully described herein, including by providing the PIRS Compound and the Seagen Compound for the Study (as defined below).

NOW, THEREFORE, in consideration of the premises and of the following mutual promises, covenants and conditions, the Parties, intending to be legally bound, mutually agree as follows:

1. Definitions.

For all purposes of this Agreement, the capitalized terms defined in this Article 1 and throughout this Agreement shall have the meanings herein specified.

1.1 "**Affiliate**" means, with respect to either Party, a firm, corporation or other entity that, now or hereafter, directly or indirectly owns or controls said Party, or, now or hereafter, is owned or controlled by said Party, or is under common ownership or control with said Party. The word "**control**" as used in this definition means (a) the direct or indirect ownership of fifty percent (50%) or more of the outstanding voting securities of a legal entity or (b) possession, directly or indirectly, of the power to direct the management or policies of a legal entity, whether through the ownership of voting securities, contract rights, voting rights, corporate governance or otherwise.

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1.2 "**Agreement**" means this Combination Study Agreement, including the Exhibits and Schedules hereto, as amended by the Parties from time to time (such amendments signed, in writing by both Parties and expressly referencing this Combination Study Agreement).

1.3 "**Applicable Law**" means all federal, state, local, national and regional statutes, laws, rules, regulations and directives applicable to a particular activity hereunder, including performance of clinical trials, medical treatment and the processing and protection of personal and medical data, that may be in effect from time to time, including those promulgated by the United States Food and Drug Administration ("**FDA**"), national regulatory authorities, the European Medicines Agency ("**EMA**") and any successor agency to the FDA or EMA or any agency or authority performing some or all of the functions of the FDA or EMA in any jurisdiction outside the United States or the European Union (each a "**Regulatory Authority**" and collectively, "**Regulatory Authorities**"), and including cGMP and GCP (each as defined below); all data protection requirements such as those specified in the EU General Data Protection Regulation (GDPR) and the regulations issued under the United States Health Insurance Portability and Accountability Act of 1996 ("**HIPAA**"); export control and economic sanctions regulations which prohibit the shipment of United States-origin products and technology to certain restricted countries, entities and individuals; anti-bribery and anti-corruption laws pertaining to interactions with government agents, officials and representatives; laws and regulations governing payments to healthcare providers; United States federal securities laws, and any United States or other country's or jurisdiction's successor or replacement statutes, laws, rules, regulations and directives relating to the foregoing.

1.4 "**Business Day**" means any day other than a Saturday, Sunday, or a day on which commercial banks located in the country where the applicable obligations are to be performed are authorized or required by law to be closed.

1.5 "**Case Report Form**" means the form (whether paper or electronic) for collecting certain data about each Subject, including the data collected for such Subject.

1.6 "**cGMP**" means the current Good Manufacturing Practices officially published and interpreted by EMA, FDA and other applicable Regulatory Authorities that may be in effect from time to time and are applicable to the Manufacture of the Compounds.

1.7 "**Clinical Quality Agreement**" has the meaning set forth in Section 9.4.

1.8 "**CMC**" means "**Chemistry Manufacturing and Controls**" as such term of art is used in the pharmaceutical industry.

1.9 "**Collaboration Invention**" has the meaning set forth in Section 12.1.

1.10 "**Combination**" means the use or method of using the Seagen Compound and the PIRS Compound in concomitant or sequential administration, as contemplated by the Protocol.

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1.11 "**Combination Collaboration Invention**" has the meaning set forth in Section 12.2.1.

1.12 "**Compounds**" means the Seagen Compound and the PIRS Compound. A "**Compound**" means either the Seagen Compound or the PIRS Compound, as applicable.

1.13 "**Confidential Information**" means any nonpublic information, Know-How or other proprietary information or materials furnished to one Party ("**Receiving Party**") by or on behalf of the other Party ("**Disclosing Party**") or , as applicable, generated in connection with this Agreement (whether orally, electronically, visually or in writing), except to the extent that such information or materials: (a) was already known to the Receiving Party, other than under an obligation of confidentiality, at the time of disclosure by the Disclosing Party, as demonstrated by competent evidence; (b) was generally available to the public or otherwise part of the public domain at the time of its disclosure to the Receiving Party; (c) became generally available to the public or otherwise part of the public domain after its disclosure and other than through any act or omission of the Receiving Party in breach of this Agreement; (d) was disclosed to the Receiving Party by a Third Party who had no obligation to the Disclosing Party not to disclose such information to others; or (e) was subsequently developed by the Receiving Party without use of the Disclosing Party Confidential Information, as demonstrated by competent written and/or otherwise tangible evidence.

1.14 "**Continuing Party**" has the meaning set forth in Section 12.2.3.

1.15 "**Control**" or "**Controlled**" means, with respect to particular information or intellectual property, that the applicable Party owns or has a license to such information or intellectual property and has the ability to grant a license, sublicense or other right to the other Party as provided for herein without violating the terms of any agreement or other arrangement with any Third Party.

1.16 "**CTA**" means an application to a Regulatory Authority for purposes of requesting the ability to start or continue a clinical trial.

1.17 "**Database Lock**" means the locking of the Study database maintained by PIRS that includes the data from the Case Report Forms, after which no further changes to such database are allowed.

1.18 "**Data Protection Agreement**" has the meaning set forth in Section 10.3.

1.19 "**Data Sharing and Sample Testing Schedule**" means the schedule attached hereto as Schedule 1.19.

1.20 "**Disclosing Party**" has the meaning set forth in the definition of Confidential Information.

1.21 "**Effective Date**" has the meaning set forth in the preamble.

1.22 "**EMA**" has the meaning set forth in the definition of Applicable Law.

1.23 "**FDA**" has the meaning set forth in the definition of Applicable Law.

1.24 "**Filing Party**" has the meaning set forth in Section 12.2.3.

1.25 "**Final Study Report**" has the meaning set forth in Section 3.6.

1.26 "**Force Majeure**" has the meaning set forth Section 16.1.

1.27 "**GAAP**" means United States Generally Accepted Accounting Principles.

1.28 "**GCP**" means the Good Clinical Practices officially published by EMA, FDA and the International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use (ICH) that may be in effect from time to time and are applicable to the testing of the Compounds.

1.29 "**HIPAA**" has the meaning set forth in the definition of Applicable Law.

1.30 "**IND**" means any Investigational New Drug Application filed or to be filed with the FDA as described in Title 21 of the U.S. Code of Federal Regulations, Part 312, and the equivalent application in the jurisdictions outside the United States, including an "Investigational Medicinal Product Dossier" filed or to be filed with Regulatory Authorities in the European Union.

1.31 "**Joint Patent Application**" has the meaning set forth in Section 12.2.3.

1.32 "**Joint Patent**" means a patent, extension, registration, supplementary protection certificate or the like that issues from a Joint Patent Application.

1.33 "**Know-How**" means any proprietary invention, innovation, improvement, development, discovery, computer program, device, trade secret, method, know-how, process, technique or the like, including manufacturing, use, process, structural, operational and other data and information, whether or not written or otherwise fixed in any form or medium, regardless of the media on which contained and whether or not patentable or copyrightable, that is not generally known or otherwise in the public domain.

1.34 "**Manufacture**," "**Manufactured**," or "**Manufacturing**" means all activities related to the manufacture of a Compound, including planning, purchasing, manufacture, processing, compounding, storage, filling, packaging, waste disposal, labeling, leafleting, testing, quality assurance, sample retention, stability testing, release, dispatch and supply, as applicable.

1.35 "**Manufacturer's Release**" or "**Release**" has the meaning ascribed to such term in the Clinical Quality Agreement.

1.36 "**Merck**" has the meaning set forth in Recital B.

1.37 "**Merck Agreement**" has the meaning set forth in Section 2.5.

1.38 "**NDA**" means a New Drug Application, Biologics License Application, Marketing Authorization Application, filing pursuant to Section 510(k) of the United States Federal Food, Drug and Cosmetic Act, or similar application or submission for a marketing authorization of a product filed with a Regulatory Authority to obtain marketing approval for a biological, pharmaceutical or diagnostic product in that country or in that group of countries.

1.39 "**Non-Conformance**" means, with respect to a given unit of Compound, (a) an event that deviates from an approved cGMP requirement with respect to the applicable Compound, such as a procedure, Specification, or operating parameter, or that requires an investigation to assess impact to the quality of the applicable Compound or (b) that such Compound failed to meet the applicable representations and warranties set forth in Article 13. Classification of the Non-Conformance is detailed in the Clinical Quality Agreement.

1.40 "**Non-Filing Party**" has the meaning set forth in Section 12.2.3.

1.41 "**Opting-out Party**" has the meaning set forth in Section 12.2.3.

1.42 "**Oversight Committee**" or "**OC**" has the meaning set forth in Section 6.1.

1.43 "**Party**" has the meaning set forth in the preamble.

1.44 "**Person**" means any individual, sole proprietorship, partnership, corporation, business trust, joint stock company, trust, unincorporated organization, association, limited liability company, institution, public benefit corporation, joint venture, entity or governmental entity.

1.45 "**PIRS**" has the meaning set forth in the preamble.

1.46 "**PIRS Background Patents**" has the meaning set forth in Section 12.5.1.

1.47 "**PIRS Compound**" means cinrebafusp alfa, also called PRS-343, a bivalent, bispecific fusion protein targeting CD137 (4-1BB) and HER2 comprising two agonistic CD137-targeting Anticalin proteins genetically linked to a HER2-targeting antibody. CD137 is a key costimulatory immunoreceptor and a member of the TNF-receptor (TNFR) superfamily.

1.48 "**PIRS Collaboration Inventions**" has the meaning set forth in Section 12.3.

1.49 "**Pharmacovigilance Agreement**" has the meaning set forth in Section 5.1.

1.50 "**Prior MTA**" has the meaning set forth in Recital C.

1.51 "**Project Manager**" has the meaning set forth in Section 6.4.

1.52 "**Protocol**" means the written documentation that describes the Study and sets forth specific activities to be performed as part of the conduct of the Study. A synopsis of the Protocol is attached is Exhibit A. For clarity, the Protocol excludes those portions of the protocol for the applicable clinical trial that do not that relate to the Seagen Compound or the Combination.

1.53 "**Receiving Party**" has the meaning set forth in the definition of Confidential Information.

1.54 "**Regulatory Approvals**" means, with respect to a Compound, any and all permissions (other than the Manufacturing approvals) required to be obtained from Regulatory Authorities and any other competent authority for the development, registration, importation and distribution of such Compound in the United States, Europe or other applicable jurisdictions for use in the Study.

1.55 "**Regulatory Authorities**" has the meaning set forth in the definition of Applicable Law.

1.56 "**Regulatory Documentation**" means, with respect to the Compounds, all submissions to Regulatory Authorities in connection with the development of such Compounds, including all INDs and amendments thereto, NDAs and amendments thereto, drug master files, correspondence with regulatory agencies, periodic safety update reports, adverse event files, complaint files, inspection reports and manufacturing records, in each case together with all supporting documents (including documents that include Study Data).

1.57 "**Related Agreements**" means the Clinical Quality Agreement, the Data Protection Agreement and the Pharmacovigilance Agreement.

1.58 "**Right of Reference**" means the "right of reference" defined in 21 CFR 314. 3(b) (or similar "right of reference" as defined in applicable regulations in the relevant part of the Territory), including with regard to a Party, allowing the applicable Regulatory Authority in a country to have access to relevant information (by cross-reference, incorporation by reference or otherwise) contained in Regulatory Documentation (and any data contained therein) filed with such Regulatory Authority with respect to a Party's Compound, only to the extent necessary for the conduct of the Study in such country or as otherwise expressly permitted or required under this Agreement to enable a Party to exercise its rights or perform its obligations hereunder.

1.59 "**Samples**" means biological specimens collected from Subjects participating in the

Study, including urine, blood and tissue samples, in accordance with the Protocol.

1.60 "**Sample Testing**" means the analyses to be performed by or on behalf of PIRS using the applicable Samples, as described in the Data Sharing and Sample Testing Schedule (Schedule 1.19).

1.61 "**Sample Data**" means those data and results arising from the Sample Testing performed by a Party.

1.62 "**Seagen**" has the meaning set forth in the preamble.

1.63 "**Seagen Background Patents**" has the meaning set forth in Section 12.5.2.

1.64 "**Seagen Compound**" means Tukysa® (tucatinib), a small molecule tyrosine kinase inhibitor (TKI) selective for HER2.

1.65 "**Seagen Collaboration Inventions**" has the meaning set forth in Section 12.4.

1.66 "**Specifications**" means, with respect to a given Compound, the set of requirements for such Compound as set forth in the Clinical Quality Agreement.

1.67 "**Study**" means a Phase 2, Multi-Center, Open-Label Study of the PIRS Compound in Combination with the Seagen Compound in patients with HER2 gastric or gastroesophageal junction (GEJ) adenocarcinoma.

1.68 "**Study Data**" means all data (including raw data) and results generated by or on behalf of either Party or at either Party's direction, or by or on behalf of the Parties together or at their direction, in the course the performance of the Study; provided however, that Study Data does not include Sample Data.

1.69 "**Study Completion**" has the meaning set forth in Section 3.6.

1.70 "**Subcontractors**" has the meaning set forth in Section 2.2.

1.71 "**Subject**" is defined in 21 CFR § 312. 3(b) and, under this Agreement, means a human who participates in the Study in any jurisdiction.

1.72 "**Term**" has the meaning set forth in Section 15.1.

1.73 "**Territory**" has the meaning set forth in Section 3.1.

1.74 "**Third Party**" means any Person or entity other than Seagen, PIRS or their respective Affiliates.

1.75 "**Toxicity & Safety Data**" means all clinical adverse event information and/or patient-related safety data included in the Study Data, as more fully described in the Pharmacovigilance Agreement.

1.76 "**Unilateral Patent**" means a patent, extension, registration, supplementary protection certificate or the like that issues from a Unilateral Patent Application.

1.77 "**Unilateral Patent Application**" has the meaning set forth in Section 12.2.3.

2. Scope of the Agreement.

2.1 Generally. Each Party shall: (a) contribute to the Study such resources as are necessary to fulfill its obligations set forth in this Agreement, including the Manufacture and supply its Compound for purposes of the Study in accordance with Article 9; and (b) act in good faith in performing its obligations under this Agreement and each Related Agreement to which it is a Party.

2.2 Delegation of Obligations. Each Party shall have the right to delegate any portion of its obligations hereunder as follows: (a) to such Party's Affiliates; (b) to Third Parties that are set forth on Schedule 2.2 or are set forth in the Protocol as performing Study activities for such Party, including conducting Sample Testing; (c) to Third Parties the extent related to the Manufacture of such delegating Party's Compound; and (d) otherwise (including, for example, with the addition of new vendors to support the Study) upon the other Party's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed. Delegation pursuant to (a), (b) or (c) in the preceding sentence will not require the other Party's written consent. Any and all Third Parties to whom a Party delegates any of its obligations hereunder are referred to as "**Subcontractors**". Notwithstanding any delegation of its obligations hereunder, each Party shall remain solely and fully liable for the performance of its Affiliates and Subcontractors to which such Party delegates the performance of its obligations under this Agreement. Each Party shall ensure that each of its Affiliates and Subcontractors performs such Party's obligations pursuant to the terms of this Agreement and all Related Agreements. Each Party shall use reasonable efforts to obtain and maintain copies of documents relating to the obligations performed by such Affiliates and Subcontractors that are required to be provided to the other Party under this Agreement or a Related Agreement.

2.3 Relationship.

2.3.1 Except as expressly set forth in this Agreement, nothing in this Agreement shall: (a) prohibit either Party from performing clinical studies other than the Study relating to its own Compound, either individually or in combination with any other compound or product, in any therapeutic area; or (b) create an exclusive relationship between the Parties with respect to any Compound.

2.3.2 Each Party acknowledges and agrees that nothing in this Agreement shall be construed as a representation or inference that the other Party will not develop for itself, or enter into business relationships with other Third Parties regarding, any products, programs, studies (including combination studies), technologies or processes that are similar to or that may compete with the Combination or any other product, program, technology or process; provided that the Confidential Information owned exclusively by the other Party and Sample Data owned exclusively by the other Party are not used or disclosed in connection therewith in violation of this Agreement.

2.3.3 Nothing in this Agreement shall prohibit or restrict a Party from licensing, assigning or otherwise transferring to an Affiliate or Third Party such Party's Compound or any Collaboration Inventions, Confidential Information or Sample Data owned solely by such Party. In addition, a Party may license, assign or transfer to an Affiliate or Third Party such Party's interest in the Study Data, Confidential Information and Sample Data in each case owned jointly by the Parties and/or Combination Collaboration Inventions, and in connection therewith share the shared Sample Data owned by the other Party, solely to the extent such potential or actual licensee, assignee or transferee agrees in writing to be bound by the terms of this Agreement with respect to such Study Data, jointly owned Confidential Information and Sample Data, Combination Collaboration Inventions, and shared Sample Data. For purposes of clarity, any assignment or transfer of this Agreement must comply with Section 16.3.

2.4 No Additional Obligations. Seagen and PIRS have no obligation to renew this Agreement or apply this Agreement to any clinical trial other than the Study. Nothing in this Agreement obligates the Parties to enter into any other agreement (other than the Related Agreements) now or in the future.

2.5 Co-Development with Merck. It is understood and agreed that, pursuant to the License and Co-Development Agreement between Sponsor and Merck dated September 13, 2020, (together, with any amendments and related agreements, the "**Merck Agreement**"), Seagen is co-developing the Sponsor Compound with Merck. To the extent any of Seagen's obligations hereunder require performance or cooperation by Merck, Seagen will ensure such cooperation and performance by Merck and Seagen will be responsible for the compliance by Merck with the terms and conditions of this Agreement.

3. Conduct of the Study.

3.1 Sponsor. The Study is limited to sites located in the U.S. (the "**Territory**"). PIRS shall act as the sponsor of the Study under its existing IND for the PIRS Compound with a Right of Reference to the IND of the Seagen Compound, as necessary, as further described in Section 3.3. PIRS shall not file an additional IND for the Study unless required by Regulatory Authorities to do so. If a Regulatory Authority requests an additional IND for the Study, the Parties shall meet and mutually agree on an approach to address such requirement.

3.2 Operational Control; Performance. Subject to the oversight of the OC, PIRS will have operational control of the Study. PIRS shall ensure that the Study is performed in accordance with this Agreement, the Related Agreements, the Protocol and all Applicable Law, including GCP. To the extent that there are any reporting or other requirements associated with the Seagen Compound not contemplated by this Agreement, then Seagen shall be responsible for fulfilling such requirements and PIRS will provide such assistance and cooperation as Seagen reasonably requires to meet such obligations.

3.3 Regulatory Matters.

3.3.1 PIRS shall: (a) obtain, prior to initiating the Study, all necessary Regulatory Approvals from all Regulatory Authorities, ethics committees and/or institutional review boards with jurisdiction over the Study prior to initiating the Study; provided that Seagen will have the right (but not the obligation) to review and approve all proposed submissions to Regulatory Authorities related to, or with respect to, the Seagen Compound; and (b) follow all directions from any such Regulatory Authorities, ethics committees and/or institutional review boards.

3.3.2 PIRS shall promptly (but no later than the end of the next Business Day) provide Seagen with a copy of any material notice, inquiry or correspondence that PIRS receives from a Regulatory Authority regarding the Seagen Compound or the Combination (for purposes of this Section, a "**Material Regulatory Notice**"), including any safety matter related to the Seagen Compound or the Combination and any inspection or investigation by a Regulatory Authority. Seagen shall have the right (but not the obligation) to provide comments promptly to any response to a Material Regulatory Notice and to participate in, and have at least one (1) (or, where reasonably practicable, such other reasonable number of) representative(s) invited to, any discussions with a Regulatory Authority to the extent related to a Material Regulatory Notice.

3.3.3 The Parties do not anticipate a Right of Reference will be necessary in the U.S., because Seagen Compound will be provided in the U.S. Commercially labeled form, but, if a Right of Reference is necessary in any part of the Territory, each Party shall provide to the other a cross-reference letter or similar communication to the applicable Regulatory Authority if needed to effectuate the Right of Reference. Notwithstanding anything to the contrary in this Agreement, neither Party shall have any right to access the other Party's CMC data with respect to such other Party's Compound. Seagen shall authorize FDA and other applicable Regulatory Authorities to cross-reference the appropriate Seagen Compound INDs and CTAs to provide data access to PIRS sufficient to support conduct of the Study. If Seagen's CTA is not available in a given country, Seagen will file its CMC data with the Regulatory Authority for such country, referencing PIRS's CTA as appropriate (however, PIRS shall have no right to directly access the CMC data).

3.3.4 PIRS shall register the Study with the Clinical Trials Registry located at www.clinicaltrials.gov.

3.4 Records and Documentation. PIRS shall maintain records and all related documentation in good scientific manner and in compliance with Applicable Law. PIRS shall provide to Seagen all Study information and documentation reasonably requested by Seagen to enable Seagen to (a) comply with any of its legal, regulatory and/or contractual obligations, or any request by any Regulatory Authority, related to the Seagen Compound and (b) determine whether the Study has been performed in accordance with this Agreement.

3.5 Study Data; Copies. Subject to Applicable Law, PIRS shall provide to Seagen copies of all Study Data, in electronic form or other mutually agreeable alternate form and on the timelines specified in the Data Sharing and Sample Testing Schedule (if applicable) or upon mutually agreeable timelines; provided, however, that a complete copy of the Study Data shall be provided to Seagen no later than [***] days following Study Completion. PIRS shall use reasonable efforts to ensure that all patient authorizations and consents required under HIPAA, the EU General Data Protection Regulation (GDPR) or any other similar Applicable Law in connection with the Study permit such sharing of Study Data with Seagen and Seagen shall comply with all requirements under HIPAA, GDPR or any other similar Applicable Law necessary for PIRS to be permitted to share such Study Data with Seagen. Where Study Data is only received by PIRS in de-identified form for compliance purposes, such Study Data will only be furnished to Seagen in de-identified form.

3.6 Final Study Report. PIRS shall provide Seagen with an electronic draft of the final study report following Study Completion, and Seagen shall have [***] Business Days after receipt of such draft to provide comments thereon. PIRS shall consider in good faith any comments provided by Seagen on the draft final study report and shall not include any statements relating to the Seagen Compound that have not been approved in writing by Seagen. PIRS shall deliver to Seagen a final version of the final study report promptly following finalization thereof (the "**Final Study Report**"). "**Study Completion**" shall occur upon Database Lock of the Study results.

4. Protocol and Informed Consent; Financial Disclosure and Transparency Reporting.

4.1 Protocol.

4.1.1 A synopsis of the initial Protocol has been agreed to by the Parties as of the Effective Date and are attached hereto as Exhibit A. The Protocol, the statistical analysis plan, and any amendments thereto must be approved and agreed upon by the OC in writing. PIRS shall (a) provide a draft of the Protocol, the statistical analysis plan, and any amendments thereto to Seagen for Seagen's review and comment to Seagen's Project Manager, (b) consider in good faith any changes requested by Seagen (such changes requested within a reasonable timeframe, which shall not exceed [***] Business Days, of receipt of the Protocol, the statistical analysis plan, and any amendments thereto, as applicable), and (c) incorporate any changes requested by Seagen with respect to the Seagen Compound. To the extent the OC cannot agree unanimously regarding the contents of Protocol, the statistical analysis plan, and any amendments thereto, the matter shall be

escalated in accordance with Section 6.2. The Parties acknowledge that they may jointly agree to amend the Protocol to include additional expansion cohorts.

4.2 Informed Consent. PIRS shall prepare the model form of patient informed consent for the Study (which shall include provisions regarding the use of Samples in Sample Testing) in consultation with Seagen (it being understood and agreed that the portion of the informed consent form relating to the Seagen Compound shall be provided to PIRS by Seagen). Any proposed changes to such form that relate to the Seagen Compound shall be subject to Seagen's prior written consent. Any such proposed changes will be sent in writing to Seagen's Project Manager. Seagen will provide such consent, or a written explanation for why such consent is being withheld, within [***] Business Days after Seagen receives a copy of PIRS's requested changes.

4.3 Financial Disclosure. PIRS shall (a) track and collect financial disclosure information from all "clinical investigators" involved in the Study and (b) prepare and submit the certification and/or disclosure of the same in accordance with all Applicable Law, including, but not limited to, Part 54 of Title 21 of the United States Code of Federal Regulations (Financial Disclosure by Clinical Investigators) and related FDA Guidance Documents. Prior to the initiation of clinical activities under the Study, but in any event within [***] days after the Effective Date, the Parties shall determine whether PIRS shall track and collect from all "clinical investigators" involved in the Study separate certification and/or disclosure forms for each of Seagen and PIRS or one (1) "combined" certification and/or disclosure form for both Seagen and PIRS. For purposes of this Section 4.3, the term "clinical investigators" shall have the meaning set forth in Part 54.2(d) of Title 21 of the United States Code of Federal Regulations.

4.4 Transparency Reporting.

4.4.1 Seagen is responsible for reporting payments and other transfers of value arising from the supply of the Seagen Compound in connection with the Study in accordance with reporting requirements under Applicable Law, including, without limitation, the Physician Payment Sunshine Act and state gift laws, and the European Federation of Pharmaceutical Industries and Associations Disclosure Code, and PIRS's applicable policies. Where applicable, PIRS will provide to Seagen all information regarding the Study required for such reporting.

4.4.2 Promptly after the Effective Date, Seagen will provide to PIRS, in writing, Seagen's point of contact for purposes of receiving information from PIRS pursuant to this Section 4.4, along with such contact's full name, email address, and telephone number. Seagen may update such contact from time to time in writing and otherwise enable the Parties to comply with their obligations under Applicable Law. Seagen will provide a reporting format of the information it requires from PIRS in order to comply with Seagen's obligations under Applicable Law.]

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

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5. Adverse Event Reporting.

5.1 Pharmacovigilance Agreement. PIRS will be solely responsible for compliance with all Applicable Laws pertaining to safety reporting for the Study and related activities. The Parties (or their respective Affiliates) will execute a pharmacovigilance agreement (the "**Pharmacovigilance Agreement**") prior to the initiation of clinical activities under the Study, to ensure the exchange of relevant safety data within appropriate timeframes and in an appropriate format to enable the Parties to fulfill local and international regulatory reporting obligations and to facilitate appropriate safety reviews. In the event of any inconsistency between the terms of this Agreement and the Pharmacovigilance Agreement, the terms of this Agreement shall control, except to the extent specifically set forth in the Pharmacovigilance Agreement. The Pharmacovigilance Agreement will include safety data exchange procedures governing the coordination of collection, investigation, reporting, and exchange of information concerning any adverse experiences, pregnancy reports, and any other safety information arising from or related to the use of the Seagen Compound and PIRS Compound in the Study, consistent with Applicable Law. Such guidelines and procedures shall be in accordance with, and enable the Parties and their Affiliates to fulfill, local and international regulatory reporting obligations to Government Authorities.

6. Oversight Committee.

6.1 The Parties shall form an oversight committee (the "**Oversight Committee**" or "**OC**") made up of [***] representatives of Seagen with expertise in clinical development and drug safety respectively and such number of representatives of PIRS as is adequate to provide updates on the progress of the Study, which shall have responsibility for overseeing the Study pursuant to this Agreement. The OC will review and finalize the Protocol in accordance with Section 4.1. Others may attend meetings of the OC with the agreement of both Parties. PIRS will chair the OC provided that the agenda for each meeting will be agreed to in advance by both Parties in writing.

6.2 The OC shall meet as soon as practicable after the Effective Date and then quarterly, or at such other frequency as is agreed by the OC, to provide an update on the progress of the Study; provided that an interim meeting of the OC will be scheduled upon the request of either Party. The OC may meet in person or by means of teleconference, Internet conference, videoconference or other similar communications equipment. Prior to any such meeting, PIRS's Project Manager shall provide an update in writing to Seagen's Project Manager, which update shall contain information about the overall progress of the Study, recruitment status, interim analysis (if results available), final analysis and other information relevant to the conduct of the Study. In the intervals between OC meetings, PIRS will respond to reasonable requests from Seagen for updates regarding the status of the Study. The OC representatives from each Party will have one collective vote in OC decisions. If there is a decision to be made by the OC on which the members of the OC cannot unanimously agree, the issue shall be elevated to the Head of Clinical Development for PIRS and the Vice President, Clinical Development for Seagen for good faith efforts to resolve the issue. In the event such escalation does not result in resolution or

faith efforts to resolve the issue." In the event such escalation does not result in resolution of

consensus, each Party shall have final decision-making authority with respect to issues related to its Compound and, for clarity:

6.2.1 PIRS, in its sole discretion, shall have the sole right to determine the dose and dosing regimen for the PIRS Compound and any information regarding the PIRS Compound included in the Protocol; and

6.2.2 Seagen, in its sole discretion, shall have the sole right to determine the dose and dosing regimen for the Seagen Compound and any information regarding the Seagen Compound included in the Protocol.

6.3 The OC shall not have the authority to: (i) modify or amend the terms and conditions of this Agreement; (ii) waive either Party's compliance with the terms and conditions of this Agreement; or (iii) determine any issue in a manner that would conflict with the express terms and conditions of this Agreement.

6.4 Each Party shall designate a project manager (the "**Project Manager**") who shall be responsible for implementing and coordinating such activities and facilitating the exchange of information between the Parties with respect to the Study.

7. Costs of Study. The Parties agree that:

7.1 Seagen shall provide the Seagen Compound for use in the Study, as described in Article 9.

7.2 PIRS shall provide the PIRS Compound for use in the Study, as described in Article 9.

7.3 Each Party will be responsible for its own internal costs and expenses to support the Study.

7.4 PIRS will be responsible for all external Study related out-of-pocket expenses incurred during the conduct of the Study, including such external costs for Sample Testing.

8. Study Data; Sample Testing and Sample Data.

8.1 Study Data.

8.1.1 Maintenance of Database; Transfer of Study Data. PIRS shall maintain the data from Case Report Forms in its database, in accordance with Applicable Law. On a [***] basis, or at [***] request, PIRS shall provide a summary of available Study Data to Seagen. After Database Lock, PIRS shall provide to Seagen all the Study Data in accordance with Section 3.5. PIRS shall provide Study Data to Seagen via electronic data transfer, in SAS format or as otherwise

agreed by the Parties. PIRS shall provide the Final Study Report to Seagen in accordance with Section 3.6.

8.1.2 Ownership and Use of Study Data. PIRS and Seagen shall [***] own [***] right, title and interest in and to the Study Data. PIRS hereby assigns to Seagen an [***] interest in, to and under the Study Data. Seagen hereby assign to PIRS an [***] interest in, to and under the Study Data. Each Party has the right to use the Study Data for any lawful purpose; provided, however, each Party's use and disclosure of the Study Data is subject to other provisions of the Agreement, including Section 12.2 and provisions regarding the other Party's Confidential Information in Article 10 and Article 11. Notwithstanding the foregoing in this Section 8.1.2, before publication of the Study Data in accordance with Article 11: (i) Seagen may not disclose the Study Data publicly or to a Third Party without the consent of PIRS; (ii) PIRS may not disclose the Study Data publicly or to a Third Party without the consent of Seagen; and (iii) each Party's use of such unpublished Study Data is restricted to: (a) regulatory submissions required to be submitted to regulatory authorities to conduct the Study; (b) seeking Regulatory Approval for use of its Compound in the Combination; (c) filing, prosecution and enforcement of Joint Patent Applications and Joint Patents; (d) in the case of PIRS filing, prosecution and enforcement of patent applications and patents in respect of PIRS Collaboration Inventions; (e) in the case of Seagen, filing, prosecution and enforcement of patent applications and patents in respect of Seagen Collaboration Inventions; and (f) internal purposes related to its own Compound; **provided**, *however*, that the foregoing shall not limit or restrict any Party's ability to (x) use or disclose the Study Data as may be necessary to comply with Applicable Law, including without limitation, disclosure under United States federal securities laws, or with such Party's internal policies and procedures with respect to pharmacovigilance and adverse event reporting or (y) share with Third Parties or Affiliates Toxicity & Safety Data where because of severity, frequency or lack of reversibility a Party needs to use such Toxicity & Safety Data with respect to its own Compound or the Combination to ensure patient safety. In addition, solely to the extent required by the Merck Agreement, Seagen may share the Study Data with Merck, provided that before publication of the Study Data in accordance with Article 11 (i) Merck shall not disclose the Study Data publicly, and (ii) Merck shall only use the Study Data as necessary to support Seagen's rights and obligations hereunder.

8.2 Sample Testing and Sample Data.

8.2.1 Performance of Sample Testing; Transfer of Sample Data. PIRS shall perform the Sample Testing in accordance with the Data Sharing and Sample Testing Schedule. Each Party is entitled to receive a copy of all the Sample Data, regardless of which Party owns the Sample Data. Therefore, PIRS shall provide to Seagen all the Sample Data (regardless of which Party owns such Sample Data), via electronic data transfer, in the format and using the media agreed to by the Parties, in accordance with the timelines in the Data Sharing and Sample Testing Schedule. Unless otherwise agreed by the Parties, if a Third-Party service provider performs Sample Testing on behalf of PIRS, the resulting Sample Data that PIRS provides to Seagen shall be in the form provided to PIRS by such service provider. PIRS shall not use the Samples for any

be in the form provided to PTRS by such service provider. PTRS shall not use the Samples for any

purpose other than performing the Sample Testing in accordance with the Data Sharing and Sample Testing Schedule, without the prior written consent of Seagen, which shall not be unreasonably withheld, conditioned or delayed.

8.2.2 Ownership and Use of Sample Data. Except as set forth on the Data Sharing and Sample Testing Schedule, PIRS and Seagen [***] own [***] right, title and interest in and to the Sample Data. Each Party shall have the right to freely exploit the Sample Data both within and outside the scope of the Study, without accounting to or any other obligation to the other Party; provided, however, each Party's use and disclosure of the Sample Data owned exclusively by the other Party is subject to other provisions of the Agreement, including provisions regarding the other Party's Confidential Information in Article 10 and Article 11.

9. Supply and Use of the Compounds.

9.1 Supply of the Compounds. Subject to the terms and conditions of this Agreement, Seagen will use commercially reasonable efforts to supply, or cause to be supplied, the quantities of the Seagen Compound as are set forth in Exhibit B, on the timelines set forth in Exhibit B, for use in the Study. If the Protocol is changed in accordance with Article 4 in such a manner that may affect the quantities of the Seagen Compound to be provided or the timing for providing such quantities, the Parties shall amend Exhibit B to reflect any changes required to be consistent with the Protocol. Each Party shall also provide to the other Party a contact person for the supply of its Compound under this Agreement.

9.2 Manufacturing Delay; Shortages. Each Party shall notify the other Party as promptly as possible in the event of any Manufacturing delay that is likely to adversely affect supply of its Compound as contemplated by this Agreement.

9.2.1 In the event that a Compound is in short supply such that a Party reasonably believes in good faith that it will not be able to fulfill its supply obligations hereunder, such Party will provide prompt written notice to the other Party thereof (including the shipments of the applicable Compound hereunder expected to be impacted and the quantity of the Compound that it reasonably determines it will be able to supply) and the Parties will promptly discuss such situation (including how the quantity of the Compound that it is able to supply hereunder will be allocated within the Study).

9.2.2 Notwithstanding the foregoing, or anything to the contrary herein, in the event that a Party is: (a) not supplying its Compound in accordance with the terms of this Agreement, then the other Party shall have no obligation to supply its Compound; or (b) allocating under Section 9.2.1, then the other Party may allocate proportionally.

9.3 Compound Commitments.

9.3.1 Seagen hereby represents and warrants to PIRS that, at the time of the Seagen Compound is delivered to PIRS's, or its designee's, location as specified by PIRS, such Seagen Compound shall have been Manufactured and supplied in compliance with: (a) the Specifications for the Seagen Compound; (b) the Clinical Quality Agreement; and (c) all Applicable Law, including cGMP and health, safety and environmental protections.

9.3.2 PIRS hereby represents and warrants to Seagen that, at the time a particular amount of PIRS Compound is packaged for shipment to a Study site, such PIRS Compound shall have been Manufactured and supplied in compliance with: (a) the Specifications for the PIRS Compound; (b) the Clinical Quality Agreement; and (c) all Applicable Law, including cGMP and health, safety and environmental protections.

9.3.3 Without limiting the foregoing, each Party is responsible for obtaining all manufacturing permissions or regulatory approvals (including facility licenses) that are required to Manufacture its Compound in accordance with Applicable Law (provided that, for clarity, PIRS shall be responsible for obtaining Regulatory Approvals for the Study as set forth in Section 3.3).

9.4 Clinical Quality Agreement. Before any supply of Seagen Compound hereunder, the Parties (or their respective Affiliates) shall enter into a quality agreement that shall address and govern issues related to the quality of clinical drug supply to be supplied by the Parties for use in the Study (the "**Clinical Quality Agreement**"). In the event of any inconsistency between the terms of this Agreement and the Clinical Quality Agreement, the terms of this Agreement shall control. The Clinical Quality Agreement shall, among other things: (a) specify the release authority for each Compound (i.e., remains the responsibility of the respective Party); (b) detail classification of any Compound found to have a Non-Conformance including latent defects not detected prior to supply to the Study; (c) include criteria for Manufacturer's Release and related certificates and documentation; (d) include criteria and timeframes for acceptance of Seagen Compound; (e) include procedures for the resolution of disputes regarding any Compounds found to have a Non-Conformance; and (f) include provisions governing the recall of Compounds.

9.5 Minimum Shelf-Life Requirements. Each Party shall use commercially reasonable efforts to supply its Compound hereunder to meet the Study requirements with at least [***] months remaining shelf life at the time of delivery, or such other time period as may be mutually agreed upon by the Parties in writing.

9.6 Provision of Compounds.

9.6.1 Seagen will deliver the Seagen Compound [***] to PIRS's, or its designee's, location as specified by PIRS. Title and risk of loss for the Seagen Compound shall transfer from Seagen to PIRS at such delivery. All costs associated with the subsequent transportation, warehousing and distribution of Seagen Compound shall be borne by PIRS. PIRS will, or will cause its designee to: (a) take delivery of the Seagen Compound supplied hereunder; (b) perform the acceptance procedures allocated to it under the Clinical Quality Agreement; (c)

subsequently label and pack the Seagen Compound (in accordance with Section 9.7); and promptly ship the Seagen Compound to the Study sites for use in the Study, in compliance with cGMP, GCP and other Applicable Law and the Clinical Quality Agreement; and (d) provide, from time to time at the reasonable request of Seagen, the following information: any applicable chain of custody forms, in-transport temperature recorder(s), records and receipt verification documentation, such other transport or storage documentation as may be reasonably requested by Seagen, and usage and inventory reconciliation documentation related to the Seagen Compound.

9.6.2 PIRS is solely responsible, at its own cost, for supplying (including all Manufacturing, acceptance, and release testing) the PIRS Compound for the Study, and the subsequent handling, storage, transportation, warehousing and distribution of the PIRS Compound supplied hereunder. PIRS shall ensure that all such activities are conducted in compliance with cGMP, GCP and other Applicable Law and the Clinical Quality Agreement.

9.7 Labeling and Packaging; Use, Handling and Storage.

9.7.1 The Parties' obligations with respect to the labeling and packaging of the Compounds are as set forth in the Clinical Quality Agreement. Notwithstanding the foregoing or anything to the contrary contained herein, Seagen shall provide the Seagen Compound to PIRS in the U.S. Commercially labeled form, and PIRS shall be responsible for labeling, packaging and leafleting such Seagen Compound in accordance with the terms and conditions of the Clinical Quality Agreement and otherwise in accordance with all Applicable Law, including cGMP, GCP, and health, safety and environmental protections.

9.7.2 PIRS shall: (a) use the Seagen Compound solely for purposes of performing the Study; (b) not use the Seagen Compound in any manner that is inconsistent with this Agreement or for any commercial purpose; and (c) label, use, store, transport, handle and dispose of the Seagen Compound in compliance with Applicable Law and the Clinical Quality Agreement, as well as all instructions of Seagen. PIRS shall not reverse engineer, reverse compile, disassemble or otherwise attempt to derive the composition or underlying information, structure or ideas of the Seagen Compound, in particular PIRS shall not analyze the Seagen Compound by physical or chemical means except as necessary to perform its obligations under the Clinical Quality Agreement.

9.8 Product Specifications. A certificate of analysis shall accompany each shipment of the Seagen Compound to PIRS.

9.9 Changes to Manufacturing. Each Party may make changes from time to time to its Compound or the facilities where its Compound is Manufactured by or on behalf of such Party, provided that such changes shall be in accordance with the Clinical Quality Agreement.

9.10 Records; Audit Rights. PIRS shall keep complete and accurate records pertaining to its use and disposition of Seagen Compound (including its storage, shipping and chain of custody activities) and, upon request of Seagen, shall make such records open to review by Seagen

for the purpose of conducting investigations for the determination of Seagen Compound safety and/or efficacy and PIRS's compliance with this Agreement with respect to the Seagen Compound.

9.11 Quality. Quality matters related to the Manufacture of the Compounds shall be governed by the terms of the Clinical Quality Agreement.

9.12 Quality Control. Each Party shall implement and perform operating procedures and controls for sampling, stability and other testing of its Compound, and for validation, documentation and release of its Compound and such other quality assurance and quality control procedures as are required by the Specifications, cGMPs and the Clinical Quality Agreement.

9.13 Audits and Inspections. The Parties' audit and inspection rights related to this Agreement shall be governed by the terms of the Clinical Quality Agreement.

9.14 Recalls. Recalls of the Compounds shall be governed by the terms of the Clinical Quality Agreement.

10. Confidentiality.

10.1 Confidential Information. Seagen and PIRS agree to hold in confidence any Confidential Information generated pursuant to the Study or provided by or on behalf of the other Party, and neither Party shall use Confidential Information of the other Party except to fulfill such Party's obligations under this Agreement or exercising its rights. Without limiting the foregoing, the Receiving Party may not, without the prior written permission of the Disclosing Party, disclose any Confidential Information of the Disclosing Party to any Third Party except to the extent disclosure (i) is required by Applicable Law (including securities laws); (ii) is pursuant to the terms of this Agreement; or (iii) is necessary for the conduct of the Study, and in each case ((i) through (iii)) provided that the Receiving Party shall provide reasonable advance notice to the Disclosing Party before making such disclosure. For the avoidance of doubt, PIRS may, without Seagen's consent, disclose Confidential Information to clinical trial sites and clinical trial investigators performing the Study, the data safety monitoring and advisory board relating to the Study, and Regulatory Authorities working with PIRS on the Study, in each case to the extent necessary for the performance of the Study and provided that such Persons (other than governmental entities) are bound by an obligation of confidentiality at least as stringent as the obligations contained herein. For the avoidance of doubt, Seagen may, without PIRS' consent, disclose Confidential Information to Merck provided that Merck is bound by an obligation of confidentiality at least as stringent as the obligations contained herein.

10.2 Collaboration Inventions. Notwithstanding the foregoing: (a) Collaboration Inventions that constitute Confidential Information and are jointly owned by the Parties, shall constitute the Confidential Information of both Parties and each Party shall have the right to use and disclose such Confidential Information consistent with Articles 11 and 12; and (b) Collaboration Inventions that constitute Confidential Information and are solely owned by one

Party shall constitute the Confidential Information of that Party and such Party shall have the right to use and disclose such Confidential Information consistent with Articles 11 and 12.

10.3 Personal Identifiable Data. The Parties (or their respective Affiliates) will execute a data protection agreement (the "**Data Protection Agreement**") within [***] days after the Effective Date, but in any event, prior to the initiation of clinical activities under the Study, to ensure that Study Data and Sample Data and other personal identifiable data is handled in accordance with all data protection and privacy laws, rules, and regulations to the extent applicable to such data.

11. Publications; Press Releases; Use of Name.

11.1 Publication. Each Party shall use reasonable efforts to publish or present scientific papers dealing with the Study in accordance with accepted scientific practice. The Parties agree that prior to submission of the results of the Study for publication or presentation or any other dissemination of such results, including oral dissemination, the publishing Party shall invite the other Party to comment on the content of the material to be published, presented, or otherwise disseminated according to the following procedure:

11.1.1 At least [***] days prior to submission for publication or public disclosure, as applicable, of any paper, letter, abstract, poster, talk or any other presentation or publication, the publishing Party shall provide to the other Party the initial draft or outline of the proposed disclosure in an electronic version (cd-rom or email attachment). During the [***] day period, the publishing Party and the other Party shall work together in good faith in order to allow for all actions to be taken to preserve rights for patent protection. At least [***] days prior to submission for presentation of any abstract, poster, talk or any other presentation and at least [***] days prior to submission of any paper, letter, or publication, the publishing Party shall provide to the other Party the full draft of the proposed presentation or publication for review and comment.

11.1.2 The publishing Party shall give reasonable consideration to any request by the other Party made within the periods mentioned in Section 11.1.1 to modify the publication and the Parties shall work in good faith and in a timely manner to resolve any issue regarding the content for publication.

11.1.3 The publishing Party shall remove all Confidential Information of the other Party before finalizing the publication.

11.2 Reprints; Rights of Cross-Reference. Consistent with applicable copyright and other laws, each Party may use, refer to, and disseminate reprints of scientific, medical and other published articles and materials from journals, conferences and/or symposia relating to the Study that disclose the name of a Party, provided, however, that such use does not constitute an endorsement of any commercial product or service by the other Party.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

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11.3 Press Releases. Neither Party shall make any public announcement concerning the existence of this Agreement, including the Study, except for disclosures made in compliance with this Section 11 or otherwise with the prior written consent of the other Party. To the extent a Party desires to make such public announcement, such Party shall provide the other Party with a draft thereof at least [***] Business Days prior to the date on which such Party would like to make the public announcement. The other Party shall review the draft and provide any comments, which the Party seeking to make the disclosure shall review in good faith, and the Parties shall work together in a timely manner to resolve any issue. If a Party is required by Applicable Law (including securities law) to make any public announcement concerning the existence of this Agreement, including the Study, such Party shall use reasonable efforts to provide the other Party prior written notice and to redact or remove, as applicable, confidential information concerning the other Party, this Agreement or the Study that the other Party requests be kept confidential, and the Parties shall work together in a timely manner to resolve any issue. Seagen acknowledges Pieris' interest in providing periodic updates regarding Study and shall not unreasonably withhold, condition or delay consent for public announcements requested by Pieris. In addition, Seagen agrees that Pieris may provide enrollment updates regarding the Study without prior consent.

11.4 Use of Name. Except as otherwise provided herein, neither Party shall have any right, express or implied, to use in any manner the name or other designation of the other Party or any other trade name, trademark or logo of the other Party for any purpose in connection with the performance of this Agreement without the other Party's prior written consent.

12. Intellectual Property.

12.1 Collaboration Invention. As used herein "**Collaboration Invention**" means any invention and/or discovery, whether or not patentable, that is made, conceived, or first actually reduced to practice by or on behalf of a Party, or by or on behalf of the Parties together, (a) in the design or performance of the Study, or in the design or performance of the Prior MTA, (b) through use of unpublished Study Data or (c) through use of Sample Data that are shared among any of the Parties under this Agreement. For purposes of clarity, Study Data and/or Sample Data created in the performance of this Agreement are not considered Collaboration Inventions.

12.2 Joint Ownership and Patent Prosecution.

12.2.1 All rights to any and all Collaboration Inventions relating to, or covering, the Combination that are neither Seagen Collaboration Inventions nor PIRS Collaboration Inventions shall be owned jointly by PIRS and Seagen (each a "**Combination Collaboration Invention**"). Seagen hereby assigns to PIRS an undivided one-half interest in, to and under the Combination Collaboration Inventions that are invented or created solely by Seagen or by Persons having an obligation to assign such rights to Seagen. PIRS hereby assigns to Seagen [***] interest in, to and under any Combination Collaboration Inventions that are invented or created solely by PIRS or by Persons having an obligation to assign such rights to PIRS. For those countries where a specific license is required for a joint owner of a Combination Collaboration Invention to practice

a specific license is required for a joint owner of a Collaboration Collaboration Invention to practice

such Combination Collaboration Invention in such countries: (a) Seagen hereby grants to PIRS a [***] license, transferable and sublicensable, under Seagen's right, title and interest in and to all Combination Collaboration Inventions to use such Combination Collaboration Inventions in accordance with the terms of this Agreement; and (b) PIRS hereby grants to Seagen a [***] license, transferable and sublicensable, under PIRS's right, title and interest in and to all Combination Collaboration Inventions to use such Combination Collaboration Inventions in accordance with the terms of this Agreement.

12.2.2 Each Party shall have the right to freely exploit each Combination Collaboration Invention both within and outside the scope of the Study, without accounting to or any other obligation to the other Party.

12.2.3 Promptly following the Effective Date, but in any event as soon as practicable after the discovery of a Combination Collaboration Invention, patent representatives of each of the Parties shall meet (in person or by telephone) to discuss the patenting strategy for any Combination Collaboration Inventions that may arise. In particular, the Parties shall discuss which Party will file and prosecute a patent application to be [***] owned (including any provisional, substitution, divisional, continuation, continuation in part, reissue, renewal, reexamination, extension, supplementary protection certificate and the like) in respect of any Combination Collaboration Invention (each, a "**Joint Patent Application**") and whether the Parties wish to appoint counsel that is mutually acceptable to the Parties. In any event, for any Joint Patent Application, the Parties shall jointly decide on (a) the content of the application; (b) the countries in which the application is to be filed; and (c) unless otherwise agreed to by the Parties, which mutually acceptable outside counsel to prosecute and maintain any Joint Patent Applications and Joint Patents. Further, the Parties shall consult and reasonably cooperate with one another in the preparation, filing, prosecution (including prosecution strategy) and maintenance of such patent application and shall equally share the expenses associated with the Joint Patent Applications and any corresponding Joint Patents. Notwithstanding the foregoing, in the event that one Party (the "**Filing Party**") wishes to file a Joint Patent Application in respect of a Combination Collaboration Invention and the other Party (the "**Non-Filing Party**") does not want to file such Joint Patent Application or does not want to file in a particular country, the Filing Party shall be free to do so at its sole expense (a "**Unilateral Patent Application**"). In such event, the Non-Filing Party shall execute, in a timely manner and at the Filing Party's reasonable expense, an assignment of such Combination Collaboration Invention to the Filing Party (in such country or all countries, as applicable) and any additional documents as may be reasonably necessary to allow the Filing Party to file and prosecute a Unilateral Patent Application with respect to the Combination Collaboration Invention. If a Party (the "**Opting-out Party**") wishes to discontinue the prosecution and maintenance (or sharing in the costs with respect thereto) of a Joint Patent Application or Joint Patent (in one or more countries), the other Party, at its sole option (the "**Continuing Party**"), may continue such prosecution and maintenance. In such event, the Opting-out Party shall execute in a timely manner and at the Continuing Party's reasonable expense an assignment of such Joint Patent Application or Joint Patent to the Continuing Party (in such

country or all countries, as applicable) and any additional documents as may be necessary to allow the Continuing Party to prosecute and maintain such Joint Patent Application or Joint Patent. The Filing Party or Continuing Party (as applicable) hereby grants to the Opting-out Party or Non-Filing Party (as applicable) a [***] license under such solely owned patent applications and patents to practice any Invention claimed therein solely for the purposes of developing and commercializing its respective Compound for use in the Combination, which license shall not be transferable or sublicensable to any Third Party except to (A) Affiliates of the Opting-out Party or Non-Filing Party (as applicable) and (B) Third Parties engaged in developing, manufacturing or marketing that Party's Compound for or on behalf of that Party or its Affiliates.

12.2.4 Except as expressly provided in Section 12.2.3 and in furtherance and not in limitation of Section 10.1, each Party agrees to make no patent application based on the other Party's Confidential Information, and to give no assistance to any Third Party for such application, without the other Party's prior written authorization.

12.2.5 Each Party shall promptly notify the other Party in writing of any actual or threatened infringement or misappropriation by a Third Party of any Joint Patent or Combination Collaboration Invention of which such Party becomes aware. PIRS shall have the first right to initiate legal action to enforce all Joint Patents against infringement and to protect all Combination Collaboration Inventions from misappropriation by any Third Party, where such infringement or misappropriation results from the development or sale of a product that infringes against the PIRS Compound or to defend any declaratory judgment action relating thereto, at its sole expense. If PIRS fails to initiate or defend such action within [***] days after being first notified of such infringement, or [***] days before the expiration for filing such action or responding, whichever comes first, Seagen shall have the right to do so at its sole expense. Seagen shall have the first right to initiate legal action to enforce all Joint Patents against infringement and to protect all Combination Collaboration Inventions from misappropriation by any Third Party, where such infringement or misappropriation results from the development or sale of a product that infringes against the Seagen Compound or to defend any declaratory judgment action relating thereto, at its sole expense. If Seagen fails to initiate or defend such action within [***] days after being first notified of such infringement, or [***] days before the expiration for filing such action or responding, whichever comes first, PIRS shall have the right to do so at its sole expense. The Parties shall cooperate in good faith to coordinate legal action to enforce all Joint Patents against infringement, and to protect all Combination Collaboration Inventions from misappropriation, by any Third Party where such infringement or misappropriation results from the development or sale of a product that includes both a PIRS Compound and a Seagen Compound or to defend any declaratory judgment action relating thereto, and shall share the costs and expenses of such litigation equally. Notwithstanding the foregoing, a Party shall have the right to opt-out of controlling such legal action by providing written notice to the other Party by the earliest of (1) [***] days after first being noticed of such infringement or misappropriation, (2) [***] days before the expiration date for filing such action, (3) [***] days before the expiration date for filing an answer to a complaint in a declaratory judgment action, and (4) [***] days after receipt of an

application to the U.S. Food & Drug Administration under Section 351(k) of the U.S. Public Health Services Act (42 U.S.C. 262(k)), or to a similar agency under any similar provisions in another country, seeking approval of a biosimilar or interchangeable biological product of the PIRS Compound or the Seagen Compound, whichever comes first.

12.2.6 If one Party brings any prosecution or enforcement action or proceeding against a Third Party with respect to any Joint Patent, the second Party agrees to be joined as a party plaintiff where necessary and to give the first Party reasonable assistance and authority to file and prosecute the suit. The costs and expenses of the Party bringing suit under this Section 12.2.6 shall be borne by such Party, and any damages or other monetary awards recovered shall be shared as follows: (a) the amount of such recovery actually received by the Party controlling such action shall be first applied to the out-of-pocket costs of each Party in connection with such action; and then (b) any remaining proceeds shall be shared by the Parties in proportion based on their relative contributions to the total costs and expenses of the litigation, including any costs and expenses of a Party to enforce any solely-owned patents. A settlement or consent judgment or other voluntary final disposition of a suit under this Section 12.2.6 may not be entered into without the consent of the Party not bringing the suit.

12.2.7 Each Party shall designate a patent contact (the "**Patent Contact**") who shall be responsible for determining, coordinating and implementing a joint patent strategy for Combination Collaboration Inventions. If an issue arises that the Patent Contacts cannot or do not, after good faith efforts, resolve, such issue shall be referred to the Project Managers, who shall direct the issue to the General Counsel at PIRS, and Senior Vice President, Intellectual Property at Seagen for resolution. For the avoidance of doubt, issues relating to Combination Collaboration Inventions are not within the jurisdiction of the OC.

12.3 Collaboration Inventions Owned by PIRS. Notwithstanding anything to the contrary contained in Section 12.1, the Parties agree that all rights to Collaboration Inventions relating solely to, or covering solely, the PIRS Compound, solely owned PIRS Sample Data, and any improvements related thereto, regardless of whether such Collaboration Invention or improvement was invented solely by PIRS or Seagen or jointly by the Parties, are the exclusive property of PIRS ("**PIRS Collaboration Inventions**"). PIRS shall be entitled to file and prosecute in its own name and at its own cost and expense relevant patent applications and to own resultant patent rights for any PIRS Collaboration Invention. For the avoidance of doubt, any Collaboration Invention generically encompassing a PIRS Compound (and not the Seagen Compound) within its scope, even where such PIRS Compound is not disclosed per se, is a PIRS Collaboration Invention. Seagen hereby assigns its right, title and interest to any and all PIRS Collaboration Inventions to PIRS.

12.4 Collaboration Inventions Owned by Seagen. Notwithstanding anything to the contrary contained in Section 12.1, the Parties agree that all rights to Collaboration Inventions relating solely to, or covering solely, the Seagen Compound, solely owned Seagen Sample Data and any improvements related thereto, regardless of whether such Collaboration Invention or

and any improvements related thereto, regardless of whether such Collaboration Invention or

improvement was invented solely by Seagen or PIRS or jointly by the Parties, are the exclusive property of Seagen ("**Seagen Collaboration Inventions**"). Seagen shall be entitled to file and prosecute in its own name and at its own cost and expense relevant patent applications and to own resultant patent rights for any Seagen Collaboration Invention. For the avoidance of doubt, any Collaboration Invention generically encompassing the Seagen Compound (and not a PIRS Compound) within its scope, even where the Seagen Compound is not disclosed per se, is an Seagen Collaboration Invention. PIRS hereby assigns its right, title and interest to any and all Seagen Collaboration Inventions to Seagen.

12.5 Mutual Freedom to Operate for Combination Collaboration Inventions.

12.5.1 PIRS License to Seagen. PIRS hereby grants to Seagen a [***] license (except such license shall not be transferred or sublicensed to any Third Party that manufactures, sells or commercializes a biosimilar version of the PIRS Compound) to any patent Controlled by PIRS that (a) has a priority claim that is earlier than the initiation of the Study (i.e., first dosing of the first patient in the Study) and (b) claims the Combination (collectively, the "**PIRS Background Patents**") solely for the purposes of (i) conducting the Study, (ii) researching and developing the Combination during the Term, and (iii) obtaining and promoting a label indication for the Combination during the longer of the Term and the life of the PIRS Background Patents; provided, however, that in no event shall Seagen have the right to use PIRS Background Patents to sell the PIRS Compound, either alone or as part of a combination (including the Combination).

12.5.2 Seagen License to PIRS. Seagen hereby grants to PIRS a [***] license (except such license shall not be transferred or sublicensed to any Third Party that manufactures, sells or commercializes a generic version of the Seagen Compound to any patent Controlled by Seagen that (a) has a priority claim that is earlier than the initiation of the Study (i.e., first dosing of the first patient in the Study) and (b) claims the Combination (the "**Seagen Background Patents**") solely for the purposes of (i) conducting the Study, (ii) researching and developing the Combination during the Term, and (iii) obtaining and promoting a label indication for the Combination during the longer of the Term and the life of the Seagen Background Patents; provided, however, that in no event shall PIRS have the right to use Seagen Background Patents to sell the Seagen Compound, either alone or as part of a combination (including the Combination).

12.5.3 No Other Rights. For clarity, the terms of this Section 12.5 do not provide PIRS or Seagen with any rights, title or interest or any license to the other Party's intellectual property rights which do not have a priority claim that is earlier than the initiation of the Study or do not claim the Combination (i.e., intellectual property owned or licensed by either Party which does not constitute a Collaboration Invention and does not claim or cover the Combination) except as necessary to conduct the Study.

12.5.4 Termination. Any and all licenses granted under this Section 12.5 shall terminate upon the expiration or earlier termination of this Agreement and shall not survive such expiration or termination; provided, however that Section 12.5.1(iii) and Section 12.5.2(iii) shall

expiration or termination; provided, however that Section 12.5.1(iii) and Section 12.5.2(iii) shall

survive such expiration or termination in accordance with their respective terms, except as follows: if PIRS has terminated the Agreement pursuant to Section 15.3 (Termination for Material Breach), Section 12.5.2(iii) shall survive (but not Section 12.5.1(iii)); and if Seagen has terminated the Agreement pursuant to Section 15.3 (Termination for Material Breach), Section 12.5.1(iii) shall survive (but not Section 12.5.2(iii)).

13. Representations and Warranties; Covenants; Disclaimers.

13.1 Due Authorization. Each of Seagen and PIRS represents and warrants to the other that: (a) it has the corporate power and authority and the legal right to enter into this Agreement and perform its obligations hereunder; (b) it has taken all necessary corporate action on its part required to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder; and (c) this Agreement has been duly executed and delivered on behalf of such Party and constitutes a legal, valid and binding obligation of such Party that is enforceable against it in accordance with its terms.

13.2 Compounds.

13.2.1 Seagen hereby represents and warrants to PIRS that: (a) Seagen has the full right, power and authority to grant the licenses granted to PIRS under this Agreement; and (b) Seagen Controls the Seagen Compound.

13.2.2 PIRS hereby represents and warrants to Seagen that: (a) PIRS has the full right, power and authority to grant the licenses granted to Seagen under this Agreement; and (b) PIRS Controls the PIRS Compound.

13.3 Compliance with Laws.

13.3.1 Each Party covenants to perform activities under this Agreement in compliance with Applicable Law and in accordance with good business ethics. Specifically, each Party covenants that it shall not (and that it will use commercially reasonable efforts to ensure that its directors, employees, officers, and anyone acting on its behalf, do not), in connection with the performance of this Agreement, directly or indirectly, make, promise, authorize, ratify or offer to make, or take any act in furtherance of any payment or transfer of anything of value for the purpose of influencing, inducing or rewarding any act, omission or decision to secure an improper advantage; or improperly assisting it in obtaining or retaining business for it or the other Party, or in any way with the purpose or effect of public or commercial bribery. Other provisions of the Agreement require compliance with specified areas of Applicable Law and such other provisions do not limit the scope of compliance required of the Parties under this Section 13.3.1.

13.3.2 Each Party represents and warrants and covenants to the other that it has not and will not employ or engage anyone in connection with the Study (including supply of its Compound) who has been debarred under 21 USC § 335a, disqualified under 21 CFR § 312.70 or

§ 812.119, sanctioned by a Federal Health Care Program (as defined in 42 USC § 1320a-7b(f)), including the federal Medicare or a state Medicaid program, or debarred, suspended, excluded or otherwise declared ineligible from any other similar regional, national, federal or state agency or program. If a Party receives notice of debarment, suspension, sanction, exclusion, ineligibility, or disqualification under the foregoing-referenced statutes, that Party shall promptly notify the other Party, and the Parties shall agree upon appropriate action to address the matter.

13.4 Results. PIRS does not undertake that the Study shall lead to any result, nor is the success of the Study guaranteed. Neither Party shall be liable for any use that the other Party may make of the Study Data nor for advice or information given in connection therewith.

13.5 DISCLAIMER. EXCEPT AS EXPRESSLY PROVIDED HEREIN, SEAGEN MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE SEAGEN COMPOUND, AND PIRS MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE PIRS COMPOUND.

14. Indemnification; Subject Injury; Limitation of Liability; Insurance.

14.1 Indemnification.

14.1.1 Definitions. The additional definitions in this Section are for purposes of Article 14:

(i) "**Claims**" means claims, suits, actions, demands or other proceedings commenced or threatened against a Party by a Third Party arising out of this Agreement or the Study, including Subject Injury Claims.

(ii) "**Indemnitee**" means, as applicable, an Seagen Indemnitee (as defined in Section 14.1.2(i)) or a PIRS Indemnitee (as defined in Section 14.1.3)(i)).

(iii) "**Losses**" means any and all liabilities, damages, settlements, penalties, fines, costs or expenses (including, reasonable attorneys' fees and other expenses of litigation and reasonable costs of treatment of any adverse reaction or other physical injury) resulting from a Claim.

(iv) "**Subject Injury Claim**" means any request for compensation by a or Subject for reasonable costs of treatment of any (A) adverse reaction by a Subject to a Compound or the Combination or (B) other physical injury to a Subject (i.e., other than such an adverse reaction), in all cases, as a result of participating in the Study.

14.1.2 Indemnification by PIRS.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

(i) Indemnification Scope. PIRS hereby agrees to indemnify, defend (if requested by Seagen) and hold harmless each of Seagen, its Affiliates and its and their officers, directors, employees, Subcontractors and agents (for purposes of Section 14.1, each, a "**Seagen Indemnitee**") from and against Losses incurred by such Seagen Indemnitee in connection with Claims made against such Seagen Indemnitee, to the extent such Losses arise out of (A) the negligence or willful misconduct of any PIRS Indemnitee; (B) a breach by PIRS of any of its representations, warranties, covenants or obligations under this Agreement; (C) a breach by any PIRS Indemnitee of any Applicable Law pertaining to activities it performs under this Agreement or a subcontract under this Agreement; or (D) PIRS's use of the Study Data or Sample Data. PIRS's obligations under this Section 14.1.2(i) shall not apply to the extent such Losses (X) arise out of the scope of Seagen's indemnification obligations under Section 14.1.3(i) or (Y) are reimbursed by PIRS to Seagen for a Subject Injury Claim under Section 14.2.

(ii) Procedures. Subject to Section 14.2, Seagen shall notify PIRS of any Claim for which it seeks to exercise its rights under Section 14.1.2(i) as soon as reasonably possible after it receives notice of such Claim. If requested by Seagen, PIRS shall assume the control of the defense thereof, with counsel mutually satisfactory to the Parties, including the right to investigate, prepare for, settle or conclude such defense. If Seagen requests that PIRS assume such control, Seagen shall (A) cooperate and assist as reasonably requested (at the expense of PIRS) in the defense of such Claim, including investigation and preparation for such defense; and (B) not settle such Claim without the express, prior written consent of PIRS, not to be unreasonably withheld.

14.1.3 Indemnification by Seagen.

(i) Indemnification Scope. Seagen hereby agrees to indemnify, defend (if requested by PIRS) and hold harmless each of PIRS, its Affiliates and its and their officers, directors, employees, Subcontractors and agents (for purposes of Section 14.1, each, a "**PIRS Indemnitee**") from and against Losses incurred by such PIRS Indemnitee in connection with Claims made against such PIRS Indemnitee, to the extent such Losses arise out of (A) the negligence or willful misconduct of any Seagen Indemnitee; (B) a breach by Seagen of any of its representations, warranties, covenants or obligations under this Agreement; (C) a breach by any Seagen Indemnitee of any Applicable Law pertaining to activities it performs under this Agreement or a subcontract under this Agreement; or (D) Seagen's use of the Study Data or Sample Data. Seagen's obligations under this Section 14.1.3(i) shall not apply to the extent such Losses (X) arise out of the scope of PIRS's indemnification obligations under Section 14.1.2(i) or (Y) are reimbursed by Seagen to PIRS for a Subject Injury Claim under Section 14.2.

(ii) Procedures. Subject to Section 14.2, PIRS shall notify Seagen of any Claim for which it seeks to exercise its rights under clause (i) as soon as reasonably possible after it receives notice of such Claim. If requested by PIRS, Seagen shall assume control of the defense thereof, with counsel mutually satisfactory to the Parties, including the right to investigate, prepare for, settle or conclude such defense. If PIRS requests that Seagen assume such control,

prepare for, settle or conclude such defense. If PHS requests that Seagen assume such control,

PIRS shall (A) cooperate and assist as reasonably requested (at the expense of Seagen) in the defense of such Claim, including investigation and preparation for such defense and (B) not settle such Claim without the express, prior written consent of Seagen. Seagen's obligations under Section 14.1.3(i) shall not apply to amounts paid in settlement of any Claims if such settlement is entered into without the express, prior written consent of Seagen not to be unreasonably withheld.

(d) Limitations. The failure of an Indemnitee to deliver notice to the other Party (for purposes of this Section, the "**Indemnitor**") within a reasonable time after the commencement of any Claim for which such Indemnitee seeks to exercise its rights under Section 14.1, to the extent prejudicial to the Indemnitor's ability to defend such Claim, shall relieve the Indemnitor of its obligation to the Indemnitees under Section 14.1. The Parties agree that only Seagen or PIRS may seek to exercise the rights under Section 14.1 (on its own behalf or on behalf of its Indemnitees), and other Indemnitees may not directly seek to exercise such rights.

14.2 Subject Injury Claims.

14.2.1 General. Notwithstanding anything to the contrary in Section 14.1, the Parties agree that all Subject Injury Claims shall be handled in accordance with Section 14.2, regardless of which Party receives notice of a Subject Injury Claim or if such Party has the right to indemnification for such Subject Injury Claim. For clarity, nothing in Section 14.2 precludes a Party from exercising its right to indemnification under Section 14.1, if applicable. Neither Party shall offer compensation on behalf of the other Party to any Subject or bind the other Party to any indemnification obligations in favor of any Subject.

14.2.2 Procedures. Each Party shall notify the other Party as soon as reasonably possible after it receives notice of a Subject Injury Claim. Seagen shall permit PIRS to assume sole control of resolving a Subject Injury Claim (including offering compensation as reasonably appropriate under agreements with participating sites), and Seagen (at its own expense) shall cooperate and assist as reasonably requested to resolve such Subject Injury Claim in a timely manner.

14.2.3 Allocation of Compensation. Seagen shall reimburse PIRS for compensation paid by PIRS for a Subject Injury Claim as follows: (i) [***] percent ([***]%) of such compensation, if such Subject Injury Claim is [***] attributable to the Seagen Compound; (ii) [***] percent ([***]%) of such compensation, if such Subject Injury Claim is [***] attributable to the PIRS Compound; (iii) [***] percent ([***]%) of such compensation, if such Subject Injury Claim is [***] attributable to the Combination or if such Subject Injury Claim arises for any other reason, including if the cause of the Subject's injury cannot be determined. Seagen's obligation under Section 14.2 to reimburse PIRS for amounts paid to resolve a given Subject Injury Claim shall not exceed [***] dollars ($[***]) for such Subject Injury Claim, if such amounts are paid without Seagen's consent, not to be unreasonably withheld, delayed or conditioned. In resolving a Subject Injury Claim, PIRS shall not admit fault on behalf of Seagen or impose injunctive relief on Seagen.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

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14.3 LIMITATION OF LIABILITY. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES, HOWEVER CAUSED; PROVIDED HOWEVER, NOTHING IN THIS SECTION 14.3 IS INTENDED TO LIMIT THE RIGHTS OR OBLIGATIONS OF EITHER PARTY UNDER SECTION 14.1 (INDEMNIFICATION), SECTION 14.2 (SUBJECT INJURY CLAIMS), OR FOR DAMAGES ARISING OUT OF A BREACH OF ARTICLE 10 (CONFIDENTIALITY) AND/OR ARTICLE 12 (INTELLECTUAL PROPERTY).

14.4 Insurance.

14.4.1 General. Each Party shall maintain, at its own expense, insurance, or a program of self-insurance, to cover such Party's obligations under this Agreement. Each Party shall, at a minimum, maintain the insurance coverage specified in Section 14.4, in accordance with the following provisions. The limits of any required insurance coverage shall not limit the Parties' liability under the indemnification provisions of this Agreement.

(i) If such insurance policies are on a claims-made form, a Party shall maintain the insurance coverage for a minimum of, in the case of a Study in the United States, (A) [***] years for products liability insurance and (B) [***] years for clinical trial liability insurance (or a Party may purchase an extended reporting period for a minimum of [***] years) and, in the case of a Study outside the United States, for the extended reporting period required by Applicable Law. The forgoing periods will begin after the last Subject receives treatment in connection with the Study, including any treatment received after Study Completion, and continue for not less than the statute of limitations in the state or location where the Study is being conducted.

(ii) Insurance coverage shall be primary insurance with respect to each Party's own participation under this Agreement and shall be maintained with an insurance company or companies having an A.M. Best's rating (or its equivalent) of A-VII or better. Upon written request, each Party shall provide to the other Party certificates of insurance evidencing the insurance coverage required under Section 14.4.

14.4.2 Each Party's Coverage. Each Party shall maintain (i) commercial general liability (including contractual liability) insurance covering bodily injury and property damage arising out of such Party's obligations under this Agreement, for limits of not less than [***] dollars ($[***]) per claim and [***] dollars ($[***]) in the aggregate and (ii) product liability insurance relating to the Compound provided by such Party under this Agreement, for limits of not less than [***] dollars ($[***]) per claim and in the aggregate.

14.4.3 PIRS's Coverage. In addition to or as part of the coverages under Section 14.2.2, PIRS shall maintain clinical trial liability insurance for limits of, in the case of a Study in the United States, not less than [***] dollars ($[***]) per claim and in the aggregate and, in the case of a Study outside the United States, not less than the limit required by Applicable Law. Prior

to enrolling any Subjects, PIRS shall ensure that the insurance policies required by this Section cover injuries that may arise in connection with the Study.

15. Term and Termination.

15.1 Term. The term of this Agreement shall commence on the Effective Date and shall continue in full force and effect until delivery of the Final Study Report, unless terminated earlier by either Party pursuant to this Article 15 (the "**Term**").

15.2 Seagen Termination for Safety. In the event that Seagen in good faith believes that the Seagen Compound is being used in the Study in an unsafe manner and notifies PIRS in writing of the grounds for such belief, and PIRS fails to promptly incorporate changes into the Protocol requested by Seagen to address such issue or to otherwise address such issue reasonably and in good faith, Seagen may terminate this Agreement and the supply of the Seagen Compound immediately upon written notice to Seagen.

15.3 Termination for Material Breach. Either Party may terminate this Agreement if the other Party commits a material breach of this Agreement, and such material breach continues for [***] days after receipt of written notice thereof from the non-breaching Party; provided that if such material breach cannot reasonably be cured within [***] days, the breaching Party shall be given a reasonable period of time to cure such breach; provided further, that if such material breach is incapable of cure, then the notifying Party may terminate this Agreement effective after the expiration of such [***] day period.

15.4 Termination for Patient Safety. If either Party determines in good faith, based on a review of the Study Data or Sample Data or other information, that the Study may unreasonably affect patient safety, such Party shall promptly notify the other Party of such determination. The Party receiving such notice may propose modifications to the Study to address the safety issue identified by the other Party and, if the notifying Party agrees, shall act to implement immediately such modifications; provided, however, that if the notifying Party, in its sole discretion, believes that there is imminent danger to patients, such Party need not wait for the other Party to propose modifications and may instead terminate this Agreement immediately upon written notice to such other Party. Furthermore, if the notifying Party, in its sole discretion, believes that any modifications proposed by the other Party will not resolve the patient safety issue, such Party may terminate this Agreement effective upon written notice to such other Party.

15.5 Termination for Regulatory Action; Other Reasons. Either Party may terminate this Agreement immediately upon written notice to the other Party if any Regulatory Authority takes any action, or raises any objection, that prevents the terminating Party from supplying its Compound for purposes of the Study. Additionally, either Party shall have the right to terminate this Agreement immediately upon written notice to the other Party if it determines in its sole discretion to withdraw any applicable Regulatory Approval for its Compound or to discontinue development of its Compound, for medical, scientific or legal reasons. Further, either Party may

immediately terminate this Agreement upon written notice if the finalized Protocol is not mutually agreed upon prior to or within [***] days after the Effective Date.

15.6 Return of Seagen Compound. If this Agreement is terminated, or in the event PIRS remains in possession (including through any Affiliate or Subcontractor) of Seagen Compound at the time this Agreement expires, PIRS shall, at Seagen's sole discretion and expense, promptly either return or destroy all unused Seagen Compound pursuant to Seagen's instructions. If Seagen requests that PIRS destroy the unused Seagen Compound, PIRS shall provide written certification of such destruction.

15.7 Survival. The provisions of Sections 3.3 through 3.6 (inclusive), 5, 8.2, 9.10 through 9.14 (inclusive), 8.5.2, 9.10, 8.14 through 8.16 (inclusive), 13.5, 15.6 through 15.9, and Articles 1, 5, 7, 10 through 12 (inclusive), 14 and 17 shall survive the expiration or termination of this Agreement.

15.8 No Prejudice. Termination of this Agreement shall be without prejudice to any claim or right of action of either Party against the other Party for any prior breach of this Agreement.

15.9 Confidential Information. Upon termination of this Agreement, each Party and its Affiliates shall promptly return to the Disclosing Party or destroy any Confidential Information of the Disclosing Party (other than Study Data, Sample Data and Collaboration Inventions) furnished to the Receiving Party by the Disclosing Party; provided, however that the Receiving Party may retain one (1) copy of such Confidential Information in its confidential files, solely for purposes of exercising the Receiving Party's rights hereunder, satisfying its obligations hereunder or complying with any legal proceeding or requirement with respect thereto, and provided further that the Receiving Party shall not be required to erase electronic files created in the ordinary course of business during automatic system back-up procedures pursuant to its electronic record retention and destruction practices that apply to its own general electronic files and information so long as such electronic files are (a) maintained only on centralized storage servers (and not on personal computers or devices), (b) not accessible by any of its personnel (other than its information technology specialists), and (c) are not otherwise accessed subsequently except with the written consent of the Disclosing Party or as required by law or legal process. Such retained copies of Confidential Information shall remain subject to the confidentiality and non-use obligations herein.

16. Miscellaneous.

16.1 Force Majeure. If, in the performance of this Agreement, one of the Parties is prevented, hindered, or delayed by reason of any cause beyond such Party's reasonable control (e.g., acts of God, war, riots, fire, strike, acts of terror, pandemic or governmental laws), such Party shall be excused from performance to the extent that it is necessarily prevented, hindered or delayed ("**Force Majeure**"). The non-performing Party shall notify the other Party of such Force Majeure as soon as practicable under the circumstances after such occurrence by giving written

notice to the other Party stating the nature of the event, its anticipated duration, and any action being taken to avoid or minimize its effect. The suspension of performance will be of no greater scope and no longer duration than is necessary and the non-performing Party shall use commercially reasonable efforts to remedy its inability to perform.

16.2 Entire Agreement; Amendment; Waiver. This Agreement, together with the Exhibits and Schedules hereto and the Related Agreements, constitutes the sole, full and complete agreement by and between the Parties with respect to the subject matter of this Agreement, and all prior agreements, understandings, promises and representations, whether written or oral, with respect thereto are superseded by this Agreement. For avoidance of doubt, this Agreement has a different subject matter from the February 8, 2018 License and Collaboration Agreement and Platform License Agreement between the Parties. Notwithstanding the forgoing, the Parties agree that the Prior MTA shall remain in effect but that all inventions created in connection with the Prior MTA shall be prepared, filed, prosecuted and maintained as set forth in this Agreement (i.e., that this Agreement represents the agreement of the Parties with respect to patenting of Evaluation Data (as defined in the Prior MTA) under Section 6.3 of the Prior MTA. In the event of a conflict between a Related Agreement and this Agreement, the terms of this Agreement shall control. No amendments, changes, additions, deletions or modifications to or of this Agreement shall be valid unless reduced to writing and signed by the Parties hereto. Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition. The waiver by either Party of any right hereunder or of the failure to perform or of a breach by the other Party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by said other Party whether of a similar nature or otherwise.

16.3 Assignment and Affiliates. Neither Party shall assign or transfer this Agreement without the prior written consent of the other Party; provided, however, that either Party may assign all or any part of this Agreement to one or more of its Affiliates without the other Party's consent, and any and all rights and obligations of either Party may be exercised or performed by its Affiliates, provided that such Affiliates agree to be bound by this Agreement.

16.4 Invalid Provision. If any provision of this Agreement is held to be illegal, invalid, or unenforceable, the remaining provisions shall remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision. In lieu of the illegal, invalid, or unenforceable provision, the Parties shall negotiate in good faith to agree upon a reasonable provision that is legal, valid, and enforceable to carry out as nearly as practicable the original intention of the entire Agreement.

16.5 Governing Law; Dispute Resolution.

16.5.1 The Parties shall attempt in good faith to settle all disputes arising out of or in connection with this Agreement in an amicable manner. Any claim, dispute or controversy

in connection with this Agreement in an amicable manner. Any claim, dispute or controversy

arising out of or relating to this Agreement, including the breach, termination or validity hereof or thereof, shall be governed by and construed in accordance with the substantive laws of the State of New York, without giving effect to its choice of law principles.

16.5.2 Nothing contained in this Agreement shall deny either Party the right to seek injunctive or other equitable relief from a court of competent jurisdiction in the context of a bona fide emergency or prospective irreparable harm, and such an action may be filed or maintained notwithstanding any ongoing discussions between the Parties.

16.6 Notices. All notices or other communications that are required or permitted hereunder shall be in writing and delivered personally, sent by facsimile or email (and promptly confirmed by personal delivery or overnight courier), or sent by internationally-recognized overnight courier addressed as follows:

If to Seagen, to:

Seagen Inc.
21823 30th Drive St
Bothell, WA 98021
Attn: [***]
Telephone: [***]
Facsimile: [***]
Email: [***]

Invoices to: accountspayable@seagen.com

If to PIRS, to:

Pieris Pharmaceuticals GmbH
Zeppelinstrasse 3
85399 Hallbergmoos, Germany
Attention: [***]

With a copy to:

Pieris Pharmaceuticals, Inc.
255 State Street, 9th Floor
Boston, MA 02109
Attention: [***]
[***]

This Section 16.6 is not intended to govern day-to-day business communications.

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

16.7 Relationship of the Parties. The relationship between the Parties is and shall be that of independent contractors, and does not and shall not constitute a partnership, joint venture, agency or fiduciary relationship. Neither Party shall have the authority to make any statements, representations or commitments of any kind, or take any actions, that are binding on the other Party, except with the prior written consent of the other Party to do so. All Persons employed by a Party will be the employees of such Party and not of the other Party and all costs and obligations incurred by reason of any such employment shall be for the account and expense of such Party.

16.8 Counterparts and Due Execution. This Agreement and any amendment may be executed in any number of counterparts (including by way of facsimile or electronic transmission), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, notwithstanding any electronic transmission, storage and printing of copies of this Agreement from computers or printers. When executed by the Parties, this Agreement shall constitute an original instrument, notwithstanding any electronic transmission, storage and printing of copies of this Agreement from computers or printers. The Parties agree that execution of this Agreement by industry standard electronic signature software and/or by exchanging PDF signatures shall have the same legal force and effect as the exchange of original signatures, and that in any proceeding arising under or relating to this Agreement, each Party hereby waives any right to raise any defense or waiver based upon execution of this Agreement by means of such electronic signatures or maintenance of the executed Agreement electronically.

16.9 Construction. Except where the context otherwise requires, wherever used, the singular will include the plural, the plural the singular, the use of any gender will be applicable to all genders, and the word "**or**" is used in the inclusive sense (and/or). Whenever this Agreement refers to a number of days, unless otherwise specified, such number refers to calendar days. The captions of this Agreement are for convenience of reference only and in no way define, describe, extend or limit the scope or intent of this Agreement or the intent of any provision contained in this Agreement. The term "**including**" as used herein shall be deemed to be followed by the phrase "**without limitation**" or like expression. The term "**will**" as used herein means shall. The terms "**hereof**", "**hereto**", "**herein**" and "**hereunder**" and words of similar import when used in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. References to "**Article**," "**Section**", "**Exhibit**" or "**Schedule**" are references to the numbered sections of this Agreement and the exhibits attached to this Agreement, unless expressly stated otherwise. Except where the context otherwise requires, references to this "**Agreement**" shall include the exhibits attached to this Agreement. The language of this Agreement shall be deemed to be the language mutually chosen by the Parties and no rule of strict construction will be applied against either Party hereto.

IN WITNESS WHEREOF, the respective representatives of the Parties have executed this Agreement as of the Effective Date.

Seagen Inc.

By: /s/ Clay Siegall

Name: Clay B. Siegall, Ph.D.

Title: President and CEO

Pieris Pharmaceuticals, Inc.

By: /s/ Stephen Yoder

Name: Stephen S. Yoder

Title: President and CEO

Pieris Pharmaceuticals GmbH

By: /s/ Stephen Yoder

Name: Stephen S. Yoder

Title: Managing Director

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit A

PROTOCOL SUMMARY

CLINICAL STUDY PROTOCOL

Exhibit A-1

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Exhibit B

SUPPLY OF COMPOUND

Seagen shipment schedule		
Month	Number of [***] bottles (containing 60 tablets each)	Number of [***] bottles (containing 60 tablets each)
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
Total	[***]	[***]

Exhibit B-1

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Schedule 1.19

DATA SHARING AND SAMPLE TESTING SCHEDULE

1. Data Sharing Schedule:

Type of Data	Summary or complete copy of data	Format for sharing	Schedule
Study Data Sample Data	Summary of available data	Electronic form or other mutually agreed format	Every [***] months following initiation (first patient first visit) of the Study
Study Data Sample Data	Complete copy of data	Electronic form as mutually agreed	Within [***] days of Study Completion
Final Study Report	Full and final report	Final and signed electronic document	Within [***] days of finalization of Final Study Report

2. Sample Testing

Study Procedures	Sample	Ownership	Schedule
[***]	[***]	[***]	See Exhibit A
[***]	[***]	[***]	
[***]	[***]	[***]	
[***]	[***]	[***]	
[***]	[***]	[***]	
[***]	[***]	[***]	
[***]	[***]	[***]	
[***]	[***]	[***]	

Schedule 1.19-1

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

CONFIDENTIAL
EXECUTION VERSION

Schedule 2.2

THIRD PARTIES PERFORMING STUDY ACTIVITIES

SUMMARY OF THIRD PARTIES

Third Party	Responsibility in connection with the Study
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

EXECUTION VERSION

Exhibit 10.3

SUBSCRIPTION AGREEMENT

This Subscription Agreement (the "Agreement") is made as of March 24, 2021 (the "Effective Date") by and between Seagen Inc., a Delaware corporation located at 21823 30th Drive SE, Bothell, WA 98021 (together with its Affiliates, "Seagen"), and Pieris Pharmaceuticals, Inc., a Nevada corporation located at 255 State Street, 9th Floor, Boston, Massachusetts 02109 ("Pieris" or the "Company"). Each of Seagen and the Company is sometimes referred to individually herein as a "Party" and collectively as the "Parties."

WHEREAS, pursuant to Section 7.3 of the Amended and Restated License and Collaboration Agreement (as defined below), the Company has agreed to issue Seagen shares of the Company's Common Stock (as defined below) on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants set forth herein, the Company and Seagen agree as follows:

1. ISSUANCE OF SHARES

1.1. Issuance of Shares. The Company agrees to issue to Seagen, and Seagen agrees to acquire from the Company, 3,706,174 shares (the "Shares") of the common stock, $0.001 par value per share (the "Company Stock"), of the Company for a total purchase price of thirteen million US Dollars ($13,000,000) (the "Shares Price"), in a private placement transaction pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"). Seagen and the Company acknowledge and agree that (i) for tax purposes (including for income taxes) and financial accounting purposes, an amount equal to $3,000,000 shall be treated as an additional technology fee payable by Seagen to the Company under the Amended and Restated License and Collaboration Agreement (provided that, for clarity, no actual additional amounts will be paid by Seagen under the Amended and Restated License and Collaboration Agreement).

1.2. Payment & Issuance Date. The purchase and sale of the Shares shall take place remotely via the exchange of documents and signatures on the Effective Date (the "Closing"). At the Closing, Seagen shall make the payment of the Shares Price to Pieris in accordance with wire instructions provided by Pieris at least two (2) Business Days prior to the Effective Date. At the Closing, Pieris shall cause its transfer agent to issue and deliver to Seagen a book-entry notation reflecting the issuance of the Shares on the Effective Date.

1.3. Closing Deliverables. At the Closing, the Company will deliver to Seagen:

1.3.1. Legal opinions of the Company's counsel dated as of the Closing, in the forms of Exhibit A-1 and A-2 hereto.

1.3.2. A certificate of the secretary of the Company dated as of the Closing certifying that attached thereto is a true and complete copy of all resolutions adopted by the Board of Directors of the Company (the "Board") authorizing the execution, delivery and performance of this Agreement and the transactions contemplated hereby and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby as of the Closing.

2. REPRESENTATIONS AND WARRANTIES

2.1. Representations and Warranties of the Company. For purposes of these representations and warranties, the term the "Company" shall include any subsidiaries of the Company, unless otherwise noted herein. The Company hereby represents and warrants to Seagen as follows:

2.1.1. Organization and Qualification. The Company and each of its subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization (as applicable), with the requisite corporate power and authority to own or lease and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any subsidiary is in violation or default of any of the provisions of its articles of incorporation or bylaws or other organizational documents. The Company and each of its subsidiaries is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, would not have or reasonably be expected to result in a Material Adverse Effect, and no legal proceeding has been instituted, is pending, or, to the knowledge of the Company, has been threatened in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

2.1.2. Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement and otherwise to carry out its obligations hereunder. The Company's execution and delivery of this Agreement and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Company, and no further corporate action is required by the Company, its Board or its stockholders in connection therewith. This Agreement has been duly executed by the Company and is the legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

2.1.3. No Conflicts. The execution, delivery and performance by the Company of this Agreement and the consummation by the Company of the transactions contemplated hereby do not and will not (i) conflict with or violate any provisions of the Company's or any of its subsidiaries' articles of incorporation or bylaws or other similar organizational documents of any subsidiary, (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would result in a default) under, result in the creation of any lien upon any of the properties or assets of the Company or any of its subsidiaries or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any material contract, or (iii) conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company or any of its subsidiaries is subject (including federal and state securities laws and

regulations and the rules and regulations, assuming the correctness of the

representations and warranties made by Seagen herein, of any self-regulatory organization to which the Company or its securities are subject, including the Nasdaq Stock Market ("Nasdaq"), or by which any property or asset of the Company is bound or affected, except in the case of clauses (ii) and (iii) such as would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect, or a Material Adverse Effect on the legality, validity or enforceability of this Agreement or the Company's ability to perform in any material respect on a timely basis its obligations under this Agreement.

2.1.4. Filings, Consents and Approvals. The Company is not required to obtain any consent, waiver, approval, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority, holder of outstanding securities of the Company or other Person in connection with the execution, delivery and performance by the Company of this Agreement, other than (i) the filing with the Commission of one or more Registration Statements in accordance with the requirements of Section 4 of this Agreement, (ii) filings required by applicable state securities laws, (iii) the filing of any requisite notices to Nasdaq for the issuance and sale of the Shares or (iv) those that have been made or obtained prior to the date of this Agreement (collectively, the "Required Approvals").

2.1.5. Issuance of the Shares. The Shares have been duly authorized and, when issued and paid for in accordance with the terms of this Agreement, will be duly and validly issued, fully paid and non-assessable and free and clear of all liens, other than restrictions on transfer provided for in this Agreement or imposed by applicable securities laws, and shall not be subject to preemptive or similar rights of stockholders.

2.1.6. Capitalization. The capitalization of the Company is as described in its most recently filed Quarterly Report on Form 10-Q, except for issuances pursuant to this Agreement, stock option exercises, issuances pursuant to equity incentive plans, exercises of warrants or issuances pursuant to the Company's "at the market" equity program. The Company has not issued any capital stock since the date of its most recently filed SEC Report (as defined below) other than to reflect stock option and warrant exercises that do not, individually or in the aggregate, have a material effect on the issued and outstanding capital stock, options and other securities of the Company. No Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the transactions contemplated by this Agreement that have not been effectively waived. All of the outstanding shares of capital stock of the Company are validly issued, fully paid and non-assessable, have been issued in compliance in all material respects with all applicable federal and state securities laws, and none of such outstanding shares was issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities which violation would have or would reasonably be expected to result in a Material Adverse Effect. There are no stockholders agreements, voting agreements or other similar agreements with respect to the Company's capital stock to which the Company is a party or, to the knowledge of the Company, between or among any of the Company's stockholders.

2.1.7. SEC Reports; Disclosure Materials. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by it under the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the 12 months preceding the date hereof (or such shorter period as the Company was required by law or regulation to file such material) (the foregoing materials,

including the exhibits thereto and documents incorporated by reference therein,

being collectively referred to herein as the "SEC Reports") on a timely basis or has received a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension, except where the failure to file on a timely basis would not have or reasonably be expected to result in a Material Adverse Effect and would not have or reasonably be expected to result in any limitation or prohibition on the Company's ability to register the Shares for resale on Form S-3 or Seagen's ability to use Rule 144 to resell the Shares. As of their respective filing dates, or to the extent corrected by a subsequent amendment, the SEC Reports complied in all material respects with the requirements of the Securities Act and the Exchange Act and the rules and regulations of the Commission promulgated thereunder, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. Each of the material contracts to which the Company is a party or to which the property or assets of the Company are subject has been filed (or incorporated by reference) as an exhibit to the SEC Reports.

2.1.8. Financial Statements. The consolidated financial statements of the Company included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing (or to the extent corrected by a subsequent amendment). Such consolidated financial statements have been prepared in accordance with GAAP applied on a consistent basis during the periods involved, except as may be otherwise specified in such financial statements or the notes thereto and except that unaudited financial statements may not contain all footnotes required by GAAP, and fairly present in all material respects the financial position of the Company and its consolidated subsidiaries taken as a whole as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, immaterial year-end audit adjustments.

2.1.9. Material Changes. Since the date of the latest financial statements included within the SEC Reports, except as specifically disclosed in a subsequent SEC Report filed prior to the date hereof, (i) there have been no events, occurrences or developments that have had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, (ii) the Company has not incurred any material liabilities (contingent or otherwise) other than (A) trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Company's financial statements pursuant to GAAP or required to be disclosed in filings made with the Commission, (iii) the Company has not altered materially its method of accounting or the manner in which it keeps its accounting books and records, (iv) the Company has not declared or made any dividend or distribution of cash or other property to its stockholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock (other than in connection with repurchases of unvested stock issued to employees of the Company) and (v) the Company has not issued any equity securities to any officer, director or Affiliate, except Common Stock issued in the ordinary course as dividends on outstanding preferred stock or issued pursuant to existing Company stock option or stock purchase plans or executive and director compensation arrangements disclosed in the SEC Reports. Except for the issuance of the Shares contemplated by this Agreement, no event, liability or development has occurred or exists with respect to the Company or its business, properties, operations or financial condition, that would

be required to be disclosed by the Company under applicable securities laws at the

time this representation is made that has not been publicly disclosed at least one Business Day prior to the date that this representation is made.

2.1.10. Litigation. There is no action which (i) adversely affects or challenges the legality, validity or enforceability of this Agreement or (ii) would, if there were an unfavorable decision, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect. During the past five years, neither the Company, nor to the knowledge of the Company any director or officer thereof, is or has been the subject of any action involving a claim of violation of or liability under federal or state securities laws or a claim of breach of fiduciary duty. There has not been, and to the knowledge of the Company there is not pending or contemplated, any investigation by the Securities and Exchange Commission (the "Commission") involving the Company or any current or former director or officer of the Company. During the past five years, the Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company under the Exchange Act or the Securities Act.

2.1.11. Employment Matters. No material labor dispute exists or, to the knowledge of the Company, is imminent with respect to any of the employees of the Company which would have or would reasonably be expected to result in a Material Adverse Effect. None of the Company's employees is a member of a labor union that relates to such employee's relationship with the Company, and the Company is not a party to a collective bargaining agreement. No executive officer of the Company (as defined in Rule 501(f) of the Securities Act) has notified the Company that such officer intends to leave the Company or otherwise terminate such officer's employment with the Company. To the knowledge of the Company, no executive officer or key employee, is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement or non-competition agreement, or any other contract or agreement or any restrictive covenant in favor of any third party, and to the knowledge of the Company, the continued employment of each such executive officer or key employee does not subject the Company to any liability with respect to any of the foregoing matters, except, in each case, matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. The Company is in compliance with all U.S. federal, state, local and foreign laws and regulations relating to employment and employment practices, terms and conditions of employment and wages and hours, except where the failure to be in compliance would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

2.1.12. Compliance. The Company (i) is not in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company under), nor has the Company received written notice of a claim that it is in default under or that it is in violation of, any material contract (whether or not such default or violation has been waived), (ii) is not in violation of any order of any court, arbitrator or governmental body having jurisdiction over the Company or its properties or assets, or (iii) is not in violation of, or in receipt of written notice that it is in violation of, any statute, rule or regulation of any governmental authority applicable to the Company, except in each case as would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect.

2.1.13. Regulatory Permits. The Company possesses all certificates, authorizations and permits issued by the appropriate federal, state, local or foreign

regulatory authorities necessary to conduct its business as currently conducted,

except as set forth in the SEC Reports, or such that where the failure to possess such permits, individually or in the aggregate, has not and would not have or would not reasonably be expected to result in a Material Adverse Effect ("Material Permits"), and the Company has not received any notice of proceedings relating to the revocation or modification of any such Material Permits.

2.1.14. Title to Assets. The Company has good and marketable title to all tangible personal property owned by it that is material to its business, in each case free and clear of all liens except such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company. Any real property and facilities held under lease by the Company are held by it under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company.

2.1.15. Patents and Trademarks. To the knowledge of the Company, the Company owns, possesses, licenses or has other rights to use, all patents, patent applications, trade and service marks, trade and service mark applications and registrations, trade names, trade secrets, inventions, copyrights, licenses, technology, know-how and other intellectual property rights and similar rights necessary or material for use in connection with its businesses as described in the SEC Reports and which the failure to so would have or reasonably be expected to result in a Material Adverse Effect (collectively, the "Intellectual Property Rights"). To the knowledge of the Company, none of the Intellectual Property Rights used by the Company violates or infringes upon the patent, trademark, copyright, trade secret or other proprietary rights of any Person. There is no pending or, to the knowledge of the Company, threatened proceeding or claim by any Person that the Company's business as now conducted infringes or otherwise violates any patent, trademark, copyright, trade secret or other proprietary rights of another. To the knowledge of the Company, there is no existing infringement by another Person of any of the Intellectual Property Rights that would have or would reasonably be expected to result in a Material Adverse Effect. There is no pending or, to the knowledge of the Company, threatened Proceeding or claim by another Person challenging the Company's rights in or to any material Intellectual Property Rights, or challenging inventorship, validity or scope of any such Intellectual Property Rights. The Company has taken reasonable security measures to protect the secrecy, confidentiality and value of all of its Intellectual Property Rights, except where failure to do so would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. None of the technology employed by the Company has been obtained or is being used by the Company in violation of any contractual obligation binding on the Company or, to the knowledge of the Company, any of its officers, directors or employees or otherwise in violation of the rights of any Person, which violations would have or would reasonably be expected to have a Material Adverse Effect.

2.1.16. Insurance. The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as the Company believes to be prudent and customary in the businesses and locations in which the Company is engaged. The Company has not received any written notice of cancellation of any such insurance, nor, to the knowledge of the Company, will it be unable to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a material increase in cost.

2.1.17. Transactions With Affiliates and Employees. Except as set forth in the SEC Reports, none of the executive officers or directors of the Company and, to the knowledge of the Company, none of the employees of the Company is presently a party to any transaction with the Company (other than for services as employees, officers and directors) that would be required to be disclosed pursuant to Item 404 of Regulation S-K promulgated under the Securities Act.

2.1.18. Internal Accounting Controls. The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets and liabilities is compared with the existing assets and liabilities at reasonable intervals and appropriate action is taken with respect to any differences.

2.1.19. Sarbanes-Oxley; Disclosure Controls. The Company is in compliance in all material respects with all of the provisions of the Sarbanes-Oxley Act of 2002 which are applicable to it. The Company has established disclosure controls and procedures (as such term is defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) for the Company and designed such disclosure controls and procedures to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms. The Company's certifying officers have evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by the Company's most recently filed periodic report under the Exchange Act (such date, the "Evaluation Date"). The Company presented in its most recently filed periodic report under the Exchange Act the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the Evaluation Date, there have been no changes in the Company's internal control over financial reporting (as such term is defined in the Exchange Act) that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

2.1.20. Certain Fees. No Person will have, as a result of the transactions contemplated by this Agreement, any valid right, interest or claim against or upon the Company or Seagen for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Company.

2.1.21. Private Placement. Assuming the accuracy of Seagen's representations and warranties set forth in Section 2.2 of this Agreement, no registration under the Securities Act is required for the offer and sale of the Shares by the Company under this Agreement. The issuance and sale of the Shares hereunder does not contravene the rules and regulations of Nasdaq.

2.1.22. Investment Company. The Company is not, and is not an Affiliate of, and immediately after receipt of payment for the Shares, will not be or be an Affiliate of, an "investment company" within the meaning of the Investment Company Act of 1940, as amended. The Company shall conduct its business in a manner so that it will not become subject to the Investment Company Act of 1940,

as amended.

2.1.23. Registration Rights. Other than Seagen pursuant to Section 4 of this Agreement or as otherwise disclosed in the SEC Reports, no Person has any right to cause the Company to effect the registration under the Securities Act of any securities of the Company.

2.1.24. Listing and Maintenance Requirements. The Company's Common Stock is registered pursuant to Section 12(b) or 12(g) of the Exchange Act, and the Company has taken no action designed to terminate the registration of the Common Stock under the Exchange Act, nor has the Company received any notification that the Commission is contemplating terminating such registration. The Company has not, in the 12 months preceding the date hereof, received written notice from Nasdaq to the effect that the Company is not in compliance with the listing or maintenance requirements of Nasdaq. The Company is in compliance with all listing and maintenance requirements of Nasdaq on the date hereof and the issuance of the Shares will not violate any such listing or maintenance requirements.

2.1.25. Application of Takeover Protections; Rights Agreements. The Company and the Board have taken all necessary action, if any, in order to render inapplicable any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under the Company's charter documents or the laws of its state of incorporation that is or could reasonably be expected to become applicable to Seagen as a result of Seagen and the Company fulfilling their obligations or exercising their rights under this Agreement.

2.1.26. No Integrated Offering. Assuming the accuracy of Seagen's representations and warranties set forth in Section 2.2, neither the Company nor, to the knowledge of the Company, any Person acting on its behalf has, directly or indirectly, at any time within the past six months, made any offers or sales of any Company security or solicited any offers to buy any security under circumstances that would cause the offering of the Shares pursuant to this Agreement to be integrated with prior offerings by the Company for purposes of any applicable law, regulation or stockholder approval provisions, including, without limitation, under the rules and regulations of Nasdaq unless such integration would not have or reasonably be expected to result in a Material Adverse Effect.

2.1.27. Tax Matters. The Company (i) has accurately and timely prepared and filed (or requested valid extensions thereof) all foreign, federal and state income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith, with respect to which adequate reserves have been set aside on the books of the Company and (iii) has set aside on its books provisions reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply, except, in the case of clauses (i) and (ii) above, where the failure to so pay or file any such tax, assessment, charge or return would not have or reasonably be expected to result in a Material Adverse Effect. The Company has not received notice of any unpaid taxes in any material amount claimed to be due by the Company by the taxing authority of any jurisdiction.

2.1.28. Environmental Matters. To the knowledge of the Company, the Company (i) is not in violation of any statute, rule, regulation, decision or order of any governmental agency or body or any court, domestic or foreign, relating to the

use, disposal or release of hazardous or toxic substances or relating to the protection

or restoration of the environment or human exposure to hazardous or toxic substances (collectively, "Environmental Laws"), (ii) owns or operates any real property contaminated with any substance that is in violation of any environmental laws, (iii) is liable for any off-site disposal or contamination pursuant to any environmental laws, or (iv) is subject to any claim relating to any environmental laws; which violation, contamination, liability or claim has had or would have, individually or in the aggregate, a Material Adverse Effect; and there is no pending investigation or, to the knowledge of the Company, investigation threatened in writing that might lead to such a claim.

2.1.29. No General Solicitation. Neither the Company nor, to the knowledge of the Company, any Person acting on behalf of the Company has offered or sold any of the Shares by any form of general solicitation or general advertising.

2.1.30. Off Balance Sheet Arrangements. There is no transaction, arrangement, or other relationship between the Company and an unconsolidated or other off balance sheet entity that is required to be disclosed by the Company in the SEC Reports and is not so disclosed and would have or reasonably be expected to result in a Material Adverse Effect.

2.1.31. Foreign Corrupt Practices. Neither the Company, nor to the knowledge of the Company, any agent or other Person acting on behalf of the Company, has (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company (or made by any Person acting on its behalf of which the Company is aware) which is in violation of law, or (iv) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended.

2.1.32. Regulation M Compliance. The Company has not, and to the knowledge of the Company no one acting on its behalf has, (i) taken, directly or indirectly, any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Shares, (ii) sold, bid for, purchased, or, paid any compensation for soliciting purchases of, any of the Shares in violation of Regulation M under the Exchange Act, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

2.1.33. PFIC Status. The Company is not nor does it intend to become a "passive foreign investment company" within the meaning of Section 1297 of the U.S. Internal Revenue Code of 1986, as amended.

2.1.34. OFAC Status. Neither the Company, nor to the knowledge of the Company, any director, officer, agent, employee, Affiliate or Person acting on behalf of the Company is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"); and the Company will not directly or indirectly use the proceeds of the sale of the Shares, or lend, contribute or otherwise make available such proceeds to any joint venture partner or other Person or entity, towards any sales or operations in Cuba, Iran, Syria, Sudan, Myanmar or any other country sanctioned by OFAC or for the purpose of financing the activities of any Person currently subject to any U.S. sanctions administered by OFAC.

2.1.35. FDA. There is no legal or governmental proceeding to which the Company is a party or of which any property or assets of the Company is the subject, including any proceeding before the United States Food and Drug Administration of the U.S. Department of Health and Human Services ("FDA") or comparable federal, state, local or non-U.S. governmental bodies (it being understood that the interaction between the Company and the FDA and such comparable governmental bodies relating to the clinical development and product approval process shall not be deemed proceedings for purposes of this representation), which, singularly or in the aggregate, if determined adversely to the Company, would have or would reasonably be expected to have a Material Adverse Effect; and to the knowledge of the Company, no such proceedings are threatened or contemplated by governmental authorities or threatened by others. The Company is in compliance with all applicable federal, state, local and non-U.S. laws, regulations, orders and decrees governing its business as prescribed by the FDA, or any other federal, state or non-U.S. agencies or bodies engaged in the regulation of pharmaceuticals, except where noncompliance would not, singularly or in the aggregate, be reasonably likely to have a Material Adverse Effect. All preclinical studies and clinical trials conducted by or on behalf of the Company, including those necessary to support approval for commercialization of the Company's products or product candidates, have been conducted by the Company, as applicable, or to the knowledge of the Company by third parties, in material compliance with all applicable federal, state or non-U.S. laws, rules, orders and regulations.

2.2. Representations and Warranties of Seagen. Seagen hereby represents and warrants to the Company as follows:

2.2.1. Corporate Organization. Seagen is a corporation duly organized and validly existing and in good standing under the laws of the State of Delaware.

2.2.2. Corporate Authority. Seagen has the requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Seagen of this Agreement and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action, and no other proceedings on Seagen's part are or will be necessary to authorize this Agreement or for it to consummate such transactions. This Agreement is the valid and binding agreement of Seagen, enforceable against Seagen in accordance with its terms, subject as to enforcement of remedies to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting generally the enforcement of creditors' rights and subject to a court's discretionary authority with respect to the granting of a decree ordering specific performance or other equitable remedies.

2.2.3. Conflicting Agreements and Other Matters. The execution, delivery and performance by Seagen of this Agreement and the consummation by Seagen of the transactions contemplated hereby do not and will not (i) conflict with or violate any provisions of Seagen's certificate of incorporation or bylaws, (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would result in a default) under, result in the creation of any lien upon any of the properties or assets of Seagen or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any material contract, or (iii) conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which Seagen is subject (including federal and state

securities laws and regulations and the rules and regulations, assuming the

correctness of the representations and warranties made by Seagen herein, of any self-regulatory organization to which Seagen or its securities are subject, including Nasdaq, or by which any property or asset of Seagen is bound or affected, except in the case of clauses (ii) and (iii) such as would not, individually or in the aggregate, have or reasonably be expected to result in a material adverse effect or a material adverse effect on the legality, validity or enforceability of this Agreement or Seagen's ability to perform in any material respect on a timely basis its obligations under this Agreement).

2.2.4. Opportunity to Investigate. Prior to the execution of this Agreement, Seagen and its advisors have had the opportunity to ask questions of, and receive answers from, representatives of the Company concerning the terms and conditions of the transactions contemplated hereby, and the finances, operations, business and prospects of the Company. Seagen and its advisors have also had the opportunity to obtain additional information that it believed to be necessary to verify the accuracy of information furnished about the Company. Accordingly, Seagen has independently evaluated the risks of purchasing the Shares, and Seagen is satisfied that it has received information with respect to all matters that it considers material to its decision to make this investment and has based the decision to acquire the Shares solely on such information.

2.2.5. Acquisition for Investment. Seagen (i) is acquiring the Shares for its own account for the purpose of investment and not with a view to or for sale in connection with any distribution thereof, and Seagen has no present intention to effect, or any present or contemplated plan, agreement, undertaking, arrangement, obligation, indebtedness, or commitment providing for, any distribution of Shares, (ii) is an "accredited investor" as defined in Rule 501(a) under the Securities Act, (iii) has carefully reviewed the representations concerning the Company contained in this Agreement and has made detailed inquiry concerning the Company, its business and its personnel, and (iv) has sufficient knowledge and experience in finance and business that it is capable of evaluating the risks and merits of its investment in the Company and is able financially to bear the risks thereof. Seagen acknowledges that the Shares must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Seagen has been advised or is aware of the provisions of Rule 144 promulgated under the Securities Act, which permit limited resale of shares purchased in a private placement subject to the satisfaction of certain conditions.

2.2.6. Exempt Offering. Seagen acknowledges that the Shares have not been registered under the Securities Act and are being offered and sold pursuant to an exemption from registration contained in the Securities Act based in part upon the representations of Seagen contained in this Agreement.

3. RESTRICTIONS ON TRANSFER

3.1. Restrictions on Transfer. The Shares shall not be sold or transferred unless the transfer (i) complies with Rule 144, or an exemption from registration under the Securities Act or (ii) is pursuant to a registration statement under the Securities Act covering the resale of such Shares.

3.2. Legend. Each certificate representing the Shares shall bear a legend substantially in the following form:

"THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR

REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR

ANY STATE SECURITIES LAW AND THEY MAY NOT BE OFFERED, SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE ASSIGNED BY ANY PERSON, INCLUDING A PLEDGEE, UNLESS (1) EITHER (a) SUCH SHARES FIRST SHALL HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (b) THE TRANSFER COMPLIES WITH RULE 144 OR AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND, IF REQUESTED BY THE COMPANY, THE COMPANY SHALL HAVE RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT AN EXEMPTION FROM REGISTRATION UNDER SUCH ACTS IS THEN AVAILABLE, AND (2) THERE SHALL HAVE BEEN COMPLIANCE WITH ALL APPLICABLE STATE SECURITIES LAWS."

3.3. Legend Removal. The Shares shall not be required to bear the legend set forth in Section 3.2 (i) after the sale of such Shares pursuant to an effective registration statement under the Securities Act covering the resale of such Shares, (ii) following any sale of such Shares pursuant to Rule 144 or (iii) if such Shares are eligible for sale under Rule 144 without the need to satisfy the current public information requirement under Rule 144 and without volume or manner-of-sale restrictions. Pieris agrees that following such time as the legend is no longer required under this Section 3.3, no later than two (2) Business Days following the delivery by Seagen of (i) an instrument, whether certificated or uncertificated, representing the Shares issued with a restrictive legend, (ii) a written request addressed to Pieris that such restrictive legend be removed, and (iii) customary broker and representation letters in form and substance reasonably satisfactory to Pieris, Pieris will deliver or cause to be delivered to Seagen an instrument, certificated or uncertificated as directed by Seagen, representing such Shares that is free from such restrictive legend; provided, however, that each party will be responsible for any fees it incurs in connection with such request and removal.

3.4. Rule 144 Reporting. With a view to making available to Seagen the benefits of certain rules and regulations of the Commission which may permit the sale of the Shares to the public without registration, the Company agrees to use its commercially reasonable efforts to make and keep current public information with respect to the Company available, as those terms are understood and defined in Rule 144, at all times during the period commencing on the Execution Date and ending on the one-year anniversary of the Closing.

4. DEMAND REGISTRATION RIGHTS.

4.1. Demand Registrations. At any time beginning on the date that is sixty (60) days after the date of Closing, Seagen will have the right to request registration of any of its Registrable Securities (which may, at Seagen's request, be shelf registrations pursuant to Rule 415 promulgated under the Securities Act), which request or requests will specify the number of Registrable Securities intended to be transferred and the intended method of distribution of such Registrable Securities. Upon receipt of such request, and subject to Seagen's compliance with Section 4.3 hereof, Pieris will use its commercially reasonable efforts to promptly, but in no event later than sixty (60) days following receipt of such request (or ninety (90) days following the receipt of such request if Pieris is not then eligible to register for resale the Registrable Securities on Form S-3), effect the registration under the Securities Act of the Registrable Securities so requested to be registered; *provided*, *however*, that Pieris will not be required to prepare and file (x) more than two registration statements hereunder nor (y) more than one registration statement within any twelve-month period, in each case, at the request of Seagen pursuant to this Section 4.1. Notwithstanding the foregoing, Pieris may delay the filing or effectiveness of any registration of Registrable Securities pursuant to this Section 4.1 or suspend the use of any registration statement (and Seagen hereby agrees not to offer or sell any Registrable Securities pursuant to such registration statement) for a period of not more than

ninety (90) days if (i) Pieris reasonably believes that there is or may be in existence material

nonpublic information or events involving Pieris, the failure of which to be disclosed in the prospectus included in the registration statement could result in a Violation, (ii) all reports required to be filed by Pieris pursuant to the Exchange Act have not been filed by the required date (without regard to any extension), (iii) if Pieris furnishes Seagen a certificate signed by the principal executive officer of Pieris stating that in the good faith judgment of the Board, the filing or use of any registration statement covering Registrable Securities would be seriously detrimental to Pieris or its stockholders at such time and that the Board concludes, as a result, that it is in the best interests of Seagen and its stockholders to delay the filing or effectiveness of any registration of Registrable Securities pursuant to this Section 4.1 or suspend the use of any registration statement at such time, or (iv) if Pieris intends to file such Registration Statement concurrently with its next required Form 10-Q or Form 10-K, *provided, however,* that Pieris may not delay the filing or effectiveness of any registration of Registrable Securities or suspend the use of any registration statement pursuant to this clause (iii) for a period of more than one hundred twenty (120) calendar days, or (iv) the consummation of any business combination by Pieris has occurred or is probable for purposes of Rule 3-05 or Article 11 of Regulation S-X promulgated by the Commission or any similar successor rule. If Pieris exercises its right to delay the filing or effectiveness or suspend the use of a registration statement hereunder, the applicable time period during which the registration statement is to remain effective will be extended by a period of time equal to the duration of the suspension period. If so directed by Pieris, Seagen will (i) not offer to sell any Registrable Securities pursuant to the registration statement during the period in which the delay or suspension is in effect after receiving notice of such delay or suspension; and (ii) use its commercially reasonable efforts to deliver to Pieris (at Pieris's expense) all copies, other than permanent file copies then in Seagen's possession, of the prospectus relating to such Registrable Securities current at the time of receipt of such notice. Pieris will use its commercially reasonable efforts to maintain the continuous effectiveness of the registration statement for up to ninety (90) calendar days following the effective date of such registration statement or, if earlier, until the date on which (i) all of the Registrable Securities included in such registration statement have actually been sold or (ii) Seagen, together with its Affiliates, no longer beneficially owns more than 20% of the Shares.

4.2. Registration Expenses. Pieris will pay all Registration Expenses incurred in connection with each registration of Registrable Securities pursuant to this Section 4. All Selling Expenses relating to the distribution of the Registrable Securities applicable to Registrable Securities sold by Seagen incurred in connection with each registration pursuant to this Section 4 will be borne by Seagen.

4.3. Certain Conditions. It will be a condition of Seagen's rights hereunder to have Registrable Securities owned by it registered that: (i) Seagen will reasonably cooperate with Pieris by supplying information and executing documents relating to Pieris or the securities of Pieris owned by Seagen in connection with such registration; and (ii) Seagen will enter into such undertakings and take such other actions relating to the conduct of the proposed offering that Pieris may request as being necessary to ensure compliance with federal and state securities laws and the securities laws of any applicable jurisdiction and the rules or other requirements of the applicable exchange. In the event of any registration under the Securities Act of any Registrable Securities pursuant to this Section 4, Pieris will indemnify and hold harmless Seagen, each of its directors, its officers, and its equity holders against such losses, claims, damages or liabilities (including reimbursement for reasonable and documented legal and other expenses) to which Seagen or any such director, officer or equity holder may become subject under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages or liabilities arise out of or are based upon a Violation; *provided*, *however*, that the indemnity agreement contained in this Section 4.3 will not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without Pieris's consent, which consent will not be unreasonably withheld, nor will Pieris be liable in any such case for any such loss, claim, damage, liability or action to the extent that it

arises out of or is based upon a Violation that occurs in reliance upon and in conformity with

written information furnished expressly for use in connection with such registration by any of such indemnified parties; and *provided*, *further* that Seagen will indemnify and hold harmless Pieris, each of its directors, its officers, and each person, if any, who controls Pieris within the meaning of the Securities Act, and any underwriter, and any other third party, as applicable, selling securities under such registration statement, against such losses, claims, damages or liabilities (including reimbursement for reasonable and documented legal and other expenses) to which Pieris or any such director, officer, controlling person, underwriter or other third party who may become subject under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages or liabilities arise out of or are based upon a Seagen Violation, in each case, to the extent (and only to the extent) that such Seagen Violation occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any of such indemnifying parties, *provided*, *however*, that the indemnity agreement contained in this Section 4.3 will not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without Seagen's consent, which consent will not be unreasonably withheld; *provided*, *further*, that in no event shall the obligations of Seagen in this Section 4.3 exceed the net proceeds received by it from the sale of its Registrable Securities related to the matter in which losses or damages are sought.

4.4. Assignment of Registration Rights**.** Seagen's right to request registration of its Registrable Securities as set forth in Section 4.1 above may be assigned to one or more Affiliates of Seagen as provided in Section 6.7 in each case so long as Seagen is not relieved of any liability or obligations under this Section 4.

4.5. Termination of Registration Rights. Seagen's right to request registration of its Registrable Securities as set forth in Section 4.1 above shall terminate automatically on the date that is five (5) years following the Closing Date or, if earlier, once Seagen, together with its Affiliates, no longer beneficially owns more than 2% of the outstanding shares of common stock of Pieris.

5. INTERPRETATION; DEFINITIONS

5.1. Interpretation. As used in this Agreement, unless the context otherwise requires: (a) words of any gender include all genders; (b) words using the singular or plural number also include the plural or singular number, respectively; and (c) the terms "hereof," "herein," and "hereby," and any derivative or similar words, refer to this entire Agreement.

5.2. Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

5.2.1. "Affiliate" shall have the meaning set forth in Rule 12b-2 under the Exchange Act.

5.2.2. "Amended and Restated License and Collaboration Agreement" means the Amended and Restated License and Collaboration Agreement by and between Seagen and the Company and its subsidiary Pieris Pharmaceuticals GmbH, dated as of March 24, 2021.

5.2.3. "Business Day" means any day on which banking institutions are open in New York, New York.

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

5.2.5. "Material Adverse Effect" means a material adverse effect on the

3.2.3. "Material Adverse Effect" means a material adverse effect on the

business, assets (including intangible assets), liabilities, financial condition, property, prospects or results of operations of the Company.

5.2.6. "Person" means any individual, partnership, joint venture, corporation, limited liability company, trust, unincorporated organization, government or department or agency of a government or other entity.

5.2.7. "Registrable Securities" means the Shares (including any Common Stock that may be issued or distributed in respect thereof by way of dividend or split or other distribution, recapitalization or reclassification); *provided*, *however*, that the Shares shall cease to be Registrable Securities upon the sale to the public either pursuant to a registration statement under the Securities Act or under Rule 144 (in which case, only such Shares sold shall cease to be Registrable Securities).

5.2.8. "Registration Expenses" means any and all expenses incurred by Pieris in complying with the provisions of Section 4, including (i) all Commission and stock exchange or financial regulatory authority registration and filing fees, (ii) all fees and expenses of complying with securities or blue sky laws, (iii) all printing, messenger and delivery expenses, (iv) all fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange, and (v) the fees and disbursements of counsel for Pieris and of its independent public accountants.

5.2.9. "Seagen Violation" means (i) any untrue statement or alleged untrue statement of a material fact contained in a registration statement to be filed under this Agreement or incorporated by reference therein, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by Seagen of the Securities Act, the Exchange Act, any state securities law or any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities law in connection with the offering covered by such registration statement.

5.2.10. "Selling Expenses" means all (i) underwriting discounts, commissions, or fees of underwriters, selling brokers, dealer managers or similar securities industry professionals applicable to an offering involving Registrable Securities registered pursuant to Section 4 and (ii) fees and expenses of any legal counsel, accountants and any other advisors of Seagen.

5.2.11. "Violation" means (i) any untrue statement or alleged untrue statement of a material fact contained in a registration statement to be filed under this Agreement or incorporated by reference therein, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by Pieris of the Securities Act, the Exchange Act, any state securities law or any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities law in connection with the offering covered by such registration statement.

6. MISCELLANEOUS

6.1. Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of

held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of

the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated. It is hereby stipulated and declared to be the intention of the Parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such which may be hereafter declared invalid, void or unenforceable.

6.2. Specific Enforcement. Seagen, on the one hand, and the Company, on the other, acknowledge and agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions to prevent breaches of the provisions hereof in any court of the United States or any state thereof having jurisdiction, this being in addition to any other remedy to which they may be entitled at law or equity.

6.3. Entire Agreement. This Agreement and the Amended and Restated License and Collaboration Agreement contain the entire understanding of the Parties with respect to the transactions contemplated hereby.

6.4. Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile transmission or PDF or any other electronically transmitted signatures such as via DocuSign), all of which shall be considered one and the same agreement and shall become effective when one or more of the counterparts have been signed by each Party and delivered to the other Parties, it being understood that all Parties need not sign the same counterpart.

6.5. Notices. All notices and other communications required or permitted under this Agreement shall be effective upon receipt and shall be in writing and may be delivered in person, by telecopy, overnight delivery service or registered or certified United States mail, addressed to the Company or Seagen, as the case may be, at their respective addresses set forth below:

If to the Company:

Pieris Pharmaceuticals, Inc.
255 State Street, 9th Floor
Boston, MA 02109
Attn: General Counsel
legal@pieris.com

with a copy to:

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, MA 02111
Attn: Megan Gates, Esq.
(617) 542-6000

If to Seagen:

Seagen Inc.
21823 30th Drive SE
Bothell, WA 98021
Attn: General Counsel
legal@seagen.com

with a copy to:

Cooley LLP
1700 Seventh Avenue
Suite 1900
Seattle, WA 98199
Attn: Alan Hambelton, Esq.

All notices and other communications shall be effective upon the earlier of actual receipt thereof by the person to whom notice is directed or (a) in the case of notices and communications sent by personal delivery or facsimile, one Business Day after such notice or communication arrives at the applicable address or was successfully sent to the applicable facsimile number, (b) in the case of notices and communications sent by overnight delivery service, at noon (local time) on the second Business Day following the day such notice or communications was delivered to such delivery service, and (c) in the case of notices and communications sent by United States mail,

delivery service, and (c) in the case of notices and communications sent by United States mail,

seven days after such notice or communication shall have been deposited in the United States mail. Any notice delivered to a Party hereunder shall be sent simultaneously, by the same means, to such Party's counsel as set forth above.

6.6. Amendments. This Agreement may be amended only with the written consent of the Company and Seagen. This Agreement may not be waived, changed, modified or discharged orally, but only by an agreement in writing signed by the party or parties against whom enforcement of any waiver, change, modification or discharge is sought or by parties with the right to consent to such waiver, change, modification or discharge on behalf of such party.

6.7. Successors and Assigns. All covenants and agreements contained herein shall bind and inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, that Seagen may assign its rights hereunder (including its right to purchase the Shares) to an Affiliate of Seagen, provided that such Affiliate agrees in writing to be bound by the terms and conditions set forth herein, and the Company may not assign any of its rights under this Agreement without the written consent of Seagen, which consent shall not be unreasonably withheld.

6.8. Survival. Notwithstanding any investigation made by or on behalf of Seagen or Pieris prior to, on or after the Closing, the representations and warranties contained in this Agreement and any certificate delivered hereunder shall survive the Closing and shall terminate on the second anniversary of the date of Closing. The covenants of the parties hereto shall survive until fully performed and discharged, unless otherwise expressly provided herein.

6.9. Expenses and Remedies. All costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be borne by the Party incurring such expense (other than as provided in Section 4.2).

6.10. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without regard to conflicts of law principles.

6.11. No Third-Party Beneficiaries. Nothing contained in this Agreement is intended to confer upon any Person other than the parties hereto and their respective successors and permitted assigns, any benefit, right or remedies under or by reason of this Agreement.

6.12. Interpretation. The Parties hereby acknowledge and agree that : (a) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (b) the rule of construction to the effect that any ambiguities are resolved against the drafting Party shall not be employed in the interpretation of this Agreement; and (c) the terms and provisions of this Agreement shall be construed fairly as to all Parties hereto and not in a favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the day and year first above written.

PIERIS PHARMACEUTICALS, INC.

By: _____
Name: Stephen Yoder
Title: President and CEO

SEAGEN INC.

By: _____
Name: Clay B. Siegall, Ph.D.
Title: President and CEO

Exhibit A-1

Legal Opinion

Exhibit A-2

Legal Opinion

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

Execution Version

Exhibit 10.4

AMENDMENT NO. 2

This Amendment No. 2 (the "**Amendment**") to the License and Collaboration Agreement dated May 2, 2017, as previously amended by Amendment No. 1 dated September 14, 2020 (the "**Agreement**"), is made by and between:

(1) ASTRAZENECA AB, a company incorporated in Sweden under no. 556011-7482 with its registered office at SE-151 85 Södertälje, Sweden and principal offices at SE-431 83 Mölndal, Sweden ("**AstraZeneca**"); and

(2) Pieris Pharmaceutical, Inc. ("**Pieris US**"), a corporation existing under the laws of the State of Nevada having a principal place of business at 255 State Street, 9th Floor, Boston, MA 02109, Pieris Pharmaceuticals GmbH ("**Pieris Germany**"), a company existing under the laws of Germany having a principal place of business at Lise-Meitner-Strasse 30, 85354 Freising, Germany, Pieris Australia Pty. Ltd. ("**Pieris Australia**"), a company existing under the laws of Australia with its registered address at Level 8, 123 Pitt Street, Sydney NSW 2000, Australia (Pieris US, Pieris Germany, and Pieris Australia are collectively referred to as "**Pieris**"),

and is made effective as of March 29, 2021 (the "**Amendment Effective Date**").

Recitals

WHEREAS, in accordance with the Agreement, AstraZeneca is Developing the Lead Product also known as AZD 1402 or PRS-060;

WHEREAS, the Parties desire to amend and restate certain terms and conditions of the Agreement with respect to Lead Product; and

Agreement

NOW, THEREFORE, in consideration of the mutual covenants contained in this Amendment, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. Definitions

Any capitalized term not separately defined in this Amendment shall have the meaning ascribed to it in the Agreement.

2. Amendment Payment

AstraZeneca will pay to Pieris a one-time payment of thirteen million Dollars ($13,000,000) within [***] days of receipt of an invoice from Pieris after the Amendment Effective Date. Such payment will be non-refundable, non-creditable and not subject to set-off. This payment is intended to be in lieu of the Phase 2a Study Initiation milestone for the Lead Product under the Agreement.

3. Modifications

3.1 Section 9.3.1 (Lead Product (No Co-Development) Development Milestone Payments) of the Agreement shall be amended as follows:

(i) The Phase 2a Study Initiation Developmental Milestone Event shall be deleted in its entirety; and

(ii) The Phase 2b Study Initiation Developmental Milestone Event payment shall be changed to [***] Dollars ($[***]).

Developmental Milestone Event	**Lead Product (no co-development) [***]**	**Lead Product (no co-development) [***]**	**Lead Product (no co-development) [***]**
~~Phase 2a Study Initiation:~~	[***]	[***]	[***]
Phase 2b Study Initiation:	[***]	[***]	[***]

3.2 The Phase 2a Study Initiation Developmental Milestone Event in Section 9.3.2 (Lead Product ([***] Co-Development) Development Milestone Payments) of the Agreement shall be deleted in its entirety.

Developmental Milestone Event	**Lead Product ([***]) [***]**	**Lead Product ([***]) [***]**	**Lead Product ([***]) [***]**
~~Phase 2a Study Initiation:~~	[***]	[***]	[***]

3.3 Section 9.3.3 (Lead Product ([***] Split Option or [***] Cap Option Co-Development) Developmental Milestone Payments) of the Agreement shall be amended as follows:

(i) The Phase 2a Study Initiation Developmental Milestone Event shall be deleted in its entirety; and

(ii) The Phase 2b Study Initiation Developmental Milestone Event payment shall be changed to [***]Dollars ($[***]).

Developmental Milestone Event	Lead Product ([***] Split or Cap Option) [***]	Lead Product ([***] Split or Cap Option) [***]	Lead Product ([***] Split or Cap Option) [***]
~~Phase 2a Study Initiation:~~	[***]	[***]	[***]
Phase 2b Study Initiation:	[***]	[***]	[***]

3.4 The table in Section 9.5.1 (Lead Product Sales Related Milestone Payments (without Lead Product Co-Dev Option Exercise) of the Agreement shall be deleted in its entirety and replaced by the following table:

Sales Milestone Event	Sales Milestone Payment
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***]Dollars ($[***])
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])

Sales Milestone Event	Sales Milestone Payment
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])
Net Sales of the Lead Product in the Calendar Year [***] years after First Commercial Sale are equal to or exceed [***] Dollars ($[***]), subject to such Calendar Year being within the Royalty Term for the Lead Product. For clarity, should the Net Sales for the Lead Product not be equal to or exceed [***] Dollars ($[***]) during such Calendar Year, this Sales Milestone Event has not been reached and no payment shall be made by AstraZeneca.	[***] Dollars ($[***])

3.5 The table in Section 9.5.3 (Lead Product Sales Related Milestone Payments (with Lead Product CoDev Option and [***] Split Option or [***] Cap Option Exercise) of the Agreement shall be deleted in its entirety and replaced by the following table:

Sales Milestone Event	Sales Milestone Payment
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])

Sales Milestone Event	Sales Milestone Payment
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])
The first achievement of [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year	[***] Dollars ($[***])
If Net Sales of the Lead Product during the period starting on the first day of the calendar month following the date of expiry of the Royalty Term for the Lead Product and ending on the last day of the 12th month after such date (the "**Anniversary Period**")falls within one of the thresholds in (i) to (iii): (i) [***] Dollars ($[***]) up to [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year; **OR** (ii) [***] Dollars ($[***]) up to [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year; **OR** (iii) More than [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year For clarity, should the Net Sales for the Lead Product not be equal to or exceed [***] Dollars ($[***]) during the Anniversary Period this Sales Milestone Event has not been reached and no payment shall be made by AstraZeneca. For further clarity, the calculation of the Anniversary Period based on the definition of Royalty Term shall not	(i) [***] Dollars ($[***]) (ii) [***] Dollars ($[***]) (iii) [***] Dollars ($[***])

Sales Milestone Event	Sales Milestone Payment
impact Pieris' entitlement to Lead Product Royalties under [***] Split Option Co-Development (in accordance with Section 9.6.1.3) or [***] Cap Option Co-Development (in accordance with Section 9.6.1.4).	
If Net Sales for the Lead Product during the third Calendar Year of a Reoccurrence Period falls within one of the thresholds in (i) to (iii): (i) [***] Dollars ($[***]) up to [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year; **OR** (ii) [***] Dollars ($[***]) up to [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year; **OR** (iii) More than [***] Dollars ($[***]) in Net Sales of the Lead Product in any Calendar Year. For clarity, should the Net Sales for the Lead Product not be equal to or exceed [***] Dollars ($[***]) during the [***] year of a Reoccurrence Period, the Sales Milestone Event for such Reoccurrence Period has not been reached and no payment shall be made by AstraZeneca. For the purpose of this Section 9.5.3, **"Reoccurrence Period"** means one of successive periods of [***] ([***]) successive Calendar Years starting with January 1st of the Calendar Year immediately following the Calendar Year in which the last day of the Anniversary Period occurs. For further clarity, the calculation of the Anniversary Period based on the	(i) [***] Dollars ($[***]) (ii) [***] Dollars ($[***]) (iii) [***] Dollars ($[***])

Sales Milestone Event	Sales Milestone Payment
definition of Royalty Term shall not impact Pieris' entitlement to Lead Product Royalties under [***] Split Option Co-Development (in accordance with Section 9.6.1.3) or [***] Cap Option Co-Development (in accordance with Section 9.6.1.4)).	

3.6 Notwithstanding the definition of Sales Milestone Payment in Section 9.5 of the Agreement (or any other portion of the Agreement) the payments made in connection with the Anniversary Period or the Reoccurrence Periods shall be made as contemplated above (for example, payments made in connection with the Reoccurrence Periods shall not be one-time payments). For clarity, the Anniversary Period Payment shall be paid only once.

3.7 The table in Section 9.6.1.1 (Lead Product Royalties (No Co-Development)) of the Agreement shall be deleted in its entirety and replaced by the following table:

Annual Calendar Year Royalty Bearing Net Sales	Royalty Rates owed by AstraZeneca
Portion of Net Sales less than [***] Dollars ($[***])	[***] Percent ([***]%)
Portion of Net Sales equal to or greater than [***] Dollars ($[***]) and less than [***] Dollars ($[***])	[***] Percent ([***]%)
Portion of Net Sales equal to or greater than [***] Dollars ($[***]) and less than or equal to [***] Dollars ($[***])	[***] Percent ([***]%)
Portion of Net Sales greater than [***] Dollars ($[***])	[***] Percent ([***]%)

3.8 The table in Section 9.6.1.3 (Lead Product Royalties ([***] Split Option Co-Development)) of the Agreement shall be deleted in its entirety and replaced by the following table:

Annual Calendar Year Royalty Bearing Net Sales	Royalty Rates owed by AstraZeneca
Portion of Net Sales less than [***] Dollars ($[***])	[***] Percent ([***]%)
Portion of Net Sales equal to or greater than [***] Dollars ($[***]) and less than [***] Dollars ($[***])	[***] Percent ([***]%)

Portion of Net Sales equal to or greater than [***] Dollars ($[***]) and less than or equal to [***] Dollars ($[***])	[***] Percent ([***]%)
Portion of Net Sales greater than [***] Dollars ($[***])	[***] Percent ([***]%)

4. Amendment Effective Date

This Amendment shall become effective on the Amendment Effective Date.

5. Entire Agreement

This Amendment, together with the Agreement, constitutes the entire agreement between the Parties with respect to the subject matter of the Agreement. The Agreement together with this Amendment supersedes all prior agreements, whether written or oral, with respect to the subject matter of the Agreement, as amended. Each Party confirms that it is not relying on any representations, warranties, or covenants of the Party except as specifically set out in the Agreement as amended. Nothing in this Amendment is intended to limit or exclude any liability or fraud. The Parties hereby agree that subject to the modifications specifically stated in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

[*Remainder of page intentionally blank. Signatures follow.*]

Execution

THIS AMENDMENT IS EXECUTED by the authorized representatives of the Parties as of the Amendment Effective Date.

ASTRAZENECA AB (publ.)

Signature: /s/ Ulrika Lilja

Name: Ulrika Lilja

Title: Authorised Signatory

PIERIS PHARMACEUTICAL, INC.

Signature: /s/ Stephen Yoder

Name: Stephen Yoder

Title: CEO

PIERIS PHARMACEUTICALS GmbH.

Signature: /s/ Stephen Yoder

Name: Stephen Yoder

Title: CEO

PIERIS AUSTRALIA PTY LTD.

Signature: /s/ Stephen Yoder

Name: Stephen Yoder

Title: CEO

[Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit have been omitted by means of marking such portions with asterisks as the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.]

Execution Version

Exhibit 10.5

AMENDMENT NO. 1

This Amendment No. 1 (the "**Amendment**") to the Non-exclusive Anticalin® Platform License Agreement dated May 2, 2017 (the "**Agreement**"), is made by and between

(1) ASTRAZENECA AB, a company incorporated in Sweden under no. 556011-7482 with its registered office at SE-151 85 Södertälje, Sweden and principal offices at SE-431 83 Mölndal, Sweden ("**AstraZeneca**"); and

(2) Pieris Pharmaceutical, Inc. ("**Pieris US**"), a corporation existing under the laws of the State of Nevada having a principal place of business at 255 State Street, 9th Floor, Boston, MA 02109, Pieris Pharmaceuticals GmbH ("**Pieris Germany**"), a company existing under the laws of Germany having a principal place of business at Lise-Meitner-Strasse 30, 85354 Freising, Germany (collectively "**Pieris**"),

and is made effective as of March 29, 2021 (the "**Amendment Effective Date**").

Recitals

WHEREAS, in accordance with the Agreement, AstraZeneca is Developing the Lead Product also known as AZD 1402 or PRS-060 in accordance with the Collaboration Agreement; and

WHEREAS, the Parties desire to amend and restate certain terms and conditions of the Agreement with respect to Lead Product.

Agreement

NOW, THEREFORE, in consideration of the mutual covenants contained in this Amendment, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. Definitions

Any capitalized term not separately defined in this Amendment shall have the meaning ascribed to it in the Agreement.

2. Modifications

The payment associated with the Initiation of a Phase 2a Study Milestone Event in Section 3.2 (Milestone Payments) of [***] shall not be due or paid with respect to the Lead Product (AZD1402/PRS-060). For avoidance of doubt, this Amendment shall not impact payments for Licensed Products other than the Lead Product.

3. Amendment Effective Date

This Amendment shall become effective on the Amendment Effective Date.

4. Entire Agreement

This Amendment, together with the Agreement, constitutes the entire agreement between the Parties with respect to the subject matter of the Agreement. The Agreement together with this Amendment supersedes all prior agreements, whether written or oral, with respect to the subject matter of the Agreement, as amended. Each Party confirms that it is not relying on any representations, warranties, or covenants of the Party except as specifically set out in the Agreement as amended. Nothing in this Amendment is intended to limit or exclude any liability or fraud. The Parties hereby agree that subject to the modifications specifically stated in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

[*Remainder of page intentionally blank. Signatures follow.*]

Execution

THIS AMENDMENT IS EXECUTED by the authorized representatives of the Parties as of the Amendment Effective Date.

ASTRAZENECA AB (publ.)

Signature: /s/ Ulrika Lilja

Name: Ulrika Lilja

Title: Authorised Signatory

PIERIS PHARMACEUTICAL, INC.

Signature: /s/ Stephen Yoder

Name: Stephen Yoder

Title: CEO

PIERIS PHARMACEUTICALS, GmbH.

Signature: /s/ Stephen Yoder

Name: Stephen Yoder

Title: CEO

Exhibit 10.6

SUBSCRIPTION AGREEMENT

This Subscription Agreement (the "Agreement") is made as of March 29, 2021 (the "Effective Date") by and between AstraZeneca AB, a company organized under the laws of Sweden, located at Pepparredsleden 1, S-431 83 Mölndal ("AZ"), and Pieris Pharmaceuticals, Inc., a Nevada corporation located at 255 State Street, 9th Floor, Boston, Massachusetts 02109 ("Pieris" or the "Company"). Each of AZ and the Company is sometimes referred to individually herein as a "Party" and collectively as the "Parties."

WHEREAS, the Company has agreed to issue AZ shares of the Company's Common Stock (as defined below) on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants set forth herein, the Company and AZ agree as follows:

1. ISSUANCE OF SHARES

1.1. Issuance of Shares. The Company agrees to issue to AZ, and AZ agrees to acquire from the Company, such number of shares (the "Shares") of the common stock, $0.001 par value per share (the "Common Stock"), of the Company that is equal to (i) ten million US Dollars ($10,000,000) (the "Shares Price") divided by (ii) the volume-weighted average price of one share of Common Stock on the Nasdaq Capital Market, for the thirty (30) Business Days immediately preceding the Effective Date, as reported by Bloomberg L.P., in a private placement transaction in reliance upon the exemption from registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"). As to any fraction of a share of Common Stock which AZ would be entitled to upon the payment of the Shares Price, the Company shall, at its election, either pay a cash adjustment to AZ in respect of such fraction or round up to the next whole share.

1.2. Payment & Issuance Date. The purchase and sale of the Shares shall take place remotely via the exchange of documents and signatures three (3) Business Days after the Effective Date (the "Closing"). At the Closing, AZ shall make the payment of the Shares Price to Pieris in accordance with wire instructions provided by Pieris at least one (1) Business Day prior to the Closing. Upon receipt of the Shares Price, Pieris shall cause its transfer agent to issue and deliver to AZ a book-entry notation reflecting the issuance of the Shares in accordance with the Irrevocable Transfer Agent Instructions.

1.3. Closing Deliverables. At the Closing, the Company will deliver to AZ:

1.3.1. Legal opinions of the Company's counsel dated as of the Closing, in the forms of Exhibit A-1 and A-2 hereto.

1.3.2. A certificate of the secretary of the Company dated as of the Closing certifying that attached thereto is a true and complete copy of all resolutions adopted by the Board of Directors of the Company (the "Board") authorizing the execution, delivery and performance of this Agreement and the transactions contemplated hereby and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby as of the Closing.

1.3.3. Duly executed Irrevocable Transfer Agent Instructions (together with this Agreement, the "Transaction Documents") acknowledged in writing by the Company's transfer agent instructing the transfer agent to deliver, on an expedited basis, the Shares, registered in book-entry form in the name of AZ.

2. REPRESENTATIONS AND WARRANTIES

2.1. Representations and Warranties of the Company. For purposes of these representations and warranties, the term the "Company" shall include any subsidiaries of the Company, unless otherwise noted herein. The Company hereby represents and warrants to AZ as follows:

2.1.1. Subsidiaries. The Company has no direct or indirect subsidiaries other than Pieris Pharmaceuticals GmbH, Pieris Pharmaceuticals Securities Corporation, and Pieris Australia Pty Ltd. (the "Subsidiaries"). Except as disclosed in this Section 2.1.1, the Company owns, directly or indirectly, all of the capital stock or comparable equity interests of each Subsidiary free and clear of any and all Liens, and all the issued and outstanding shares of capital stock or comparable equity interests of each Subsidiary are validly issued and are fully paid, non-assessable and free of preemptive and similar rights to subscribe for or purchase securities.

2.1.2. Organization and Qualification. The Company and each of its Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization (as applicable), with the requisite corporate power and authority to own or lease and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any Subsidiary is in violation or default of any of the provisions of its articles of incorporation or bylaws or other organizational documents. The Company and each of its Subsidiaries is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, would not have or reasonably be expected to result in a Material Adverse Effect, and no Proceeding has been instituted, is pending, or, to the knowledge of the Company, has been threatened in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

2.1.3. Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by each of the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The Company's execution and delivery of each of the Transaction Documents and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Company, and no further corporate action is required by the Company, its Board or its stockholders in connection therewith. Each of the Transaction Documents has been (or upon delivery will have been) duly executed by the

Company and is, or when delivered in accordance with the terms hereof, will

constitute, the legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

2.1.4. No Conflicts. The execution, delivery and performance by the Company of the Transaction Documents and the consummation by the Company of the transactions contemplated hereby and thereby do not and will not (i) conflict with or violate any provisions of the Company's or any of its Subsidiaries' articles of incorporation or bylaws or other similar organizational documents of any Subsidiary, (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would result in a default) under, result in the creation of any Lien upon any of the properties or assets of the Company or any of its subsidiaries or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any material contract, or (iii) conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company or any of its Subsidiaries is subject (including federal and state securities laws and regulations and the rules and regulations, assuming the correctness of the representations and warranties made by AZ herein, of any self-regulatory organization to which the Company or its securities are subject, including the Nasdaq Stock Market ("Nasdaq"), or by which any property or asset of the Company is bound or affected, except in the case of clauses (ii) and (iii) such as would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect, or a Material Adverse Effect on the legality, validity or enforceability of either Transaction Document or the Company's ability to perform in any material respect on a timely basis its obligations under this either Transaction Document.

2.1.5. Filings, Consents and Approvals. The Company is not required to obtain any consent, waiver, approval, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority, holder of outstanding securities of the Company or other Person in connection with the execution, delivery and performance by the Company of the Transaction Documents, other than (i) the filing with the Securities and Exchange Commission (the "Commission") of one or more Registration Statements in accordance with the requirements of Section 5 of this Agreement, (ii) filings required by applicable state securities laws, (iii) the filing of any requisite notices and/or application(s) to Nasdaq for the issuance and sale of the Shares and the listing of the Shares for trading or quotation, as the case may be, thereon in the time and manner required thereby, or (iv) those that have been made or obtained prior to the date of this Agreement (collectively, the "Required Approvals").

2.1.6. Issuance of the Shares. The Shares have been duly authorized and, when issued and paid for in accordance with the terms of the Transaction Documents, will be duly and validly issued, fully paid and non-assessable and free and clear of all Liens, other than restrictions on transfer provided for in this Agreement or imposed by applicable securities laws, and shall not be subject to preemptive or similar rights of stockholders. No "bad actor" disqualifying event described in Rule 506(d)(1)(iv)-(viii) (a "Disqualification Event") is applicable to the Company or, to the Company's knowledge, any Company Covered Person, except for a Disqualification Event as to which Rule 506(d)(2)(ii-iv) or (d)(3) is applicable. "Company Covered Person" means, with respect to the Company as an "issuer" for purposes of Rule 506, any Person listed in the first paragraph of Rule 506(d)(1).

2.1.7. Capitalization. The capitalization of the Company is as described in its most recently filed Quarterly Report on Form 10-Q, except for issuances pursuant to this Agreement, stock option exercises, issuances pursuant to equity incentive plans, exercises of warrants or issuances pursuant to the Company's "at the market" equity program. The Company has not issued any capital stock since the date of its most recently filed SEC Report (as defined below) other than to reflect stock option and warrant exercises that do not, individually or in the aggregate, have a material effect on the issued and outstanding capital stock, options and other securities of the Company. No Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the transactions contemplated by the Transaction Documents that have not been effectively waived as of the Closing Date. Except as set forth in the SEC Reports, there are no outstanding options, warrants, scrip rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities, rights or obligations convertible into or exercisable or exchangeable for, or giving any Person any right to subscribe for or acquire any shares of Common Stock, or contracts, commitments, understandings or arrangements by which the Company is or may become bound to issue additional shares of Common Stock or Common Stock equivalents. The issuance and sale of the Shares in connection with this Agreement will not obligate the Company to issue shares of Common Stock or other securities to any Person (other than AZ) and will not result in a right of any holder of Company securities to adjust the exercise, conversion, exchange or reset price of any such securities. All of the outstanding shares of capital stock of the Company are validly issued, fully paid and non-assessable, have been issued in compliance in all material respects with all applicable federal and state securities laws, and none of such outstanding shares was issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities which violation would have or would reasonably be expected to result in a Material Adverse Effect. There are no stockholders agreements, voting agreements or other similar agreements with respect to the Company's capital stock to which the Company is a party or, to the knowledge of the Company, between or among any of the Company's stockholders.

2.1.8. SEC Reports; Disclosure Materials. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by it under the Exchange Act, including pursuant to Section 13(a) or 15(d)

thereof, for the 12 months preceding the date hereof (or such shorter period as the Company was required by law or regulation to file such material) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the "SEC Reports") on a timely basis or has received a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension, except where the failure to file on a timely basis would not have or reasonably be expected to result in a Material Adverse Effect and would not have or reasonably be expected to result in any limitation or prohibition on the Company's ability to register the Shares for resale on Form S-3 or AZ's ability to use Rule 144 promulgated under the Securities Act ("Rule 144") to resell the Shares. As of their respective filing dates, or to the extent corrected by a subsequent amendment, the SEC Reports complied in all material respects with the requirements of the Securities Act and the Exchange Act and the rules and regulations of the Commission promulgated thereunder, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. Each of the material contracts to which the Company is a party or to which the property or assets of the Company are subject has been filed (or incorporated by reference) as an exhibit to the SEC Reports.

2.1.9. Financial Statements. The consolidated financial statements of the Company included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing (or to the extent corrected by a subsequent amendment). Such consolidated financial statements have been prepared in accordance with GAAP applied on a consistent basis during the periods involved, except as may be otherwise specified in such financial statements or the notes thereto and except that unaudited financial statements may not contain all footnotes required by GAAP, and fairly present in all material respects the financial position of the Company and its consolidated Subsidiaries taken as a whole as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, immaterial year-end audit adjustments.

2.1.10. Material Changes. Since the date of the latest financial statements included within the SEC Reports, except as specifically disclosed in a subsequent SEC Report filed prior to the date hereof, (i) there have been no events, occurrences or developments that have had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, (ii) the Company has not incurred any material liabilities (contingent or otherwise) other than (A) trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Company's financial statements pursuant to GAAP or required to be disclosed in filings made with the Commission, (iii) the Company has not altered materially its method of accounting or the manner in which it keeps its accounting books and records, (iv) the Company has not

declared or made any dividend or distribution of cash or other property to its stockholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock (other than in connection with repurchases of unvested stock issued to employees of the Company) and (v) the Company has not issued any equity securities to any officer, director or Affiliate, except Common Stock issued in the ordinary course as dividends on outstanding preferred stock or issued pursuant to existing Company stock option or stock purchase plans or executive and director compensation arrangements disclosed in the SEC Reports. Except for the issuance of the Shares contemplated by this Agreement, no event, liability or development has occurred or exists with respect to the Company or its business, properties, operations or financial condition, that would be required to be disclosed by the Company under applicable securities laws at the time this representation is made that has not been publicly disclosed at least one Business Day prior to the date that this representation is made.

2.1.11. Litigation. There is no action which (i) adversely affects or challenges the legality, validity or enforceability of either of the Transaction Documents or the issuance of the Shares or (ii) would, if there were an unfavorable decision, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect. During the past five years, neither the Company, nor to the knowledge of the Company any director or officer thereof, is or has been the subject of any action involving a claim of violation of or liability under federal or state securities laws or a claim of breach of fiduciary duty. There has not been, and to the knowledge of the Company there is not pending or contemplated, any investigation by the Commission involving the Company or any current or former director or officer of the Company. During the past five years, the Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company under the Exchange Act or the Securities Act.

2.1.12. Employment Matters. No labor dispute exists or, to the knowledge of the Company, is imminent with respect to any of the employees of the Company which would have or would reasonably be expected to result in a Material Adverse Effect. None of the Company's employees is a member of a labor union that relates to such employee's relationship with the Company, and the Company is not a party to a collective bargaining agreement. No executive officer of the Company (as defined in Rule 501(f) of the Securities Act) has notified the Company that such officer intends to leave the Company or otherwise terminate such officer's employment with the Company. To the knowledge of the Company, no executive officer or key employee, is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement or non-competition agreement, or any other contract or agreement or any restrictive covenant in favor of any third party, and to the knowledge of the Company, the continued employment of each such executive officer or key employee does not subject the Company to any liability with respect to any of the foregoing matters, except, in each case, matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. The

Company is in compliance with all U.S. federal, state, local and foreign laws and regulations relating to employment and employment practices, terms and conditions of employment and wages and hours, except where the failure to be in compliance would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

2.1.13. Compliance. The Company (i) is not in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company under), nor has the Company received written notice of a claim that it is in default under or that it is in violation of, any material contract (whether or not such default or violation has been waived), (ii) is not in violation of any order of any court, arbitrator or governmental body having jurisdiction over the Company or its properties or assets, or (iii) is not in violation of, or in receipt of written notice that it is in violation of, any statute, rule or regulation of any governmental authority applicable to the Company, except in each case as would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect.

2.1.14. Regulatory Permits. The Company possesses all certificates, authorizations and permits issued by the appropriate federal, state, local or foreign regulatory authorities necessary to conduct its business as currently conducted, except as set forth in the SEC Reports, or such that where the failure to possess such permits, individually or in the aggregate, has not and would not have or would not reasonably be expected to result in a Material Adverse Effect ("Material Permits"), and the Company has not received any notice of Proceedings relating to the revocation or modification of any such Material Permits.

2.1.15. Title to Assets. The Company does not own any real property. The Company has good and marketable title to all tangible personal property owned by it that is material to its business, in each case free and clear of all Liens except such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company. Any real property and facilities held under lease by the Company are held by it under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company.

2.1.16. Patents and Trademarks. To the knowledge of the Company, the Company owns, possesses, licenses or has other rights to use, all patents, patent applications, trade and service marks, trade and service mark applications and registrations, trade names, trade secrets, inventions, copyrights, licenses, technology, know-how and other intellectual property rights and similar rights necessary or material for use in connection with its businesses as described in the SEC Reports and which the failure to so would have or reasonably be expected to result in a Material Adverse Effect (collectively, the "Intellectual Property Rights"). To the knowledge of the Company, none of the Intellectual Property Rights used by the Company violates or infringes upon the patent, trademark, copyright, trade secret or other

proprietary rights of any Person. There is no pending or, to the knowledge of

the Company, threatened Proceeding or claim by any Person that the Company's business as now conducted infringes or otherwise violates any patent, trademark, copyright, trade secret or other proprietary rights of another. To the knowledge of the Company, there is no existing infringement by another Person of any of the Intellectual Property Rights that would have or would reasonably be expected to result in a Material Adverse Effect. There is no pending or, to the knowledge of the Company, threatened Proceeding or claim by another Person challenging the Company's rights in or to any material Intellectual Property Rights, or challenging inventorship, validity or scope of any such Intellectual Property Rights. The Company has taken reasonable security measures to protect the secrecy, confidentiality and value of all of its Intellectual Property Rights, except where failure to do so would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. None of the technology employed by the Company has been obtained or is being used by the Company in violation of any contractual obligation binding on the Company or, to the knowledge of the Company, any of its officers, directors or employees or otherwise in violation of the rights of any Person, which violations would have or would reasonably be expected to have a Material Adverse Effect.

2.1.17. Insurance. The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as the Company believes to be prudent and customary in the businesses and locations in which the Company is engaged. The Company has not received any written notice of cancellation of any such insurance, nor, to the knowledge of the Company, will it be unable to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a material increase in cost.

2.1.18. Transactions With Affiliates and Employees. Except as set forth in the SEC Reports, none of the executive officers or directors of the Company and, to the knowledge of the Company, none of the employees of the Company is presently a party to any transaction with the Company (other than for services as employees, officers and directors) that would be required to be disclosed pursuant to Item 404 of Regulation S-K promulgated under the Securities Act.

2.1.19. Internal Accounting Controls. The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets and liabilities is compared with the existing assets and liabilities at reasonable intervals and appropriate action is taken with respect to any differences.

2.1.20. Sarbanes-Oxley; Disclosure Controls. The Company is in

compliance in all material respects with all of the provisions of the Sarbanes-

Oxley Act of 2002 which are applicable to it. The Company has established disclosure controls and procedures (as such term is defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) for the Company and designed such disclosure controls and procedures to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms. The Company's certifying officers have evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by the Company's most recently filed periodic report under the Exchange Act (such date, the "Evaluation Date"). The Company presented in its most recently filed periodic report under the Exchange Act the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the Evaluation Date, there have been no changes in the Company's internal control over financial reporting (as such term is defined in the Exchange Act) that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

2.1.21. Certain Fees. No Person will have, as a result of the transactions contemplated by this Agreement, any valid right, interest or claim against or upon the Company or AZ for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Company.

2.1.22. Private Placement. Assuming the accuracy of AZ's representations and warranties set forth in Section 2.2 of this Agreement, no registration under the Securities Act is required for the offer and sale of the Shares by the Company under this Agreement. The issuance and sale of the Shares hereunder does not contravene the rules and regulations of Nasdaq.

2.1.23. Investment Company. The Company is not, and is not an Affiliate of, and immediately after receipt of payment for the Shares, will not be or be an Affiliate of, an "investment company" within the meaning of the Investment Company Act of 1940, as amended. The Company shall conduct its business in a manner so that it will not become subject to the Investment Company Act of 1940, as amended.

2.1.24. Registration Rights. Other than AZ pursuant to Section 5 of this Agreement, as otherwise disclosed in the SEC Reports or pursuant to the Subscription Agreement dated as of March 24, 2021 between the Company and Seagen Inc. ("Seagen"), with respect to 3,706,174 shares of Common Stock to be registered upon the request of Seagen, no Person has any right to cause the Company to effect the registration under the Securities Act of any securities of the Company.

2.1.25. Listing and Maintenance Requirements. The Company's Common Stock is registered pursuant to Section 12(b) or 12(g) of the Exchange Act, and the Company has taken no action designed to terminate the registration of the Common Stock under the Exchange Act, nor has the

Company received any notification that the Commission is contemplating

terminating such registration. The Company has not, in the 12 months preceding the date hereof, received written notice from Nasdaq to the effect that the Company is not in compliance with the listing or maintenance requirements of Nasdaq. The Company is in compliance with all listing and maintenance requirements of Nasdaq on the date hereof and the issuance of the Shares will not violate any such listing or maintenance requirements.

2.1.26. Application of Takeover Protections; Rights Agreements. The Company and the Board have taken all necessary action, if any, in order to render inapplicable any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under the Company's charter documents or the laws of its state of incorporation that is or could reasonably be expected to become applicable to AZ as a result of AZ and the Company fulfilling their obligations or exercising their rights under the Transaction Documents, including without limitation, the Company's issuance of the Shares and AZ's ownership of the Shares.

2.1.27. No Integrated Offering. Assuming the accuracy of AZ's representations and warranties set forth in Section 2.2, neither the Company nor, to the knowledge of the Company, any Person acting on its behalf has, directly or indirectly, at any time within the past six months, made any offers or sales of any Company security or solicited any offers to buy any security under circumstances that would (i) eliminate the availability of the exemption from registration in connection with the offer and sale by the Company of the Shares as contemplated hereby or (ii) cause the offering of the Shares pursuant to this Agreement to be integrated with prior offerings by the Company for purposes of any applicable law, regulation or stockholder approval provisions, including, without limitation, under the rules and regulations of Nasdaq.

2.1.28. Tax Matters. The Company (i) has accurately and timely prepared and filed (or requested valid extensions thereof) all foreign, federal and state income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith, with respect to which adequate reserves have been set aside on the books of the Company and (iii) has set aside on its books provisions reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply, except, in the case of clauses (i) and (ii) above, where the failure to so pay or file any such tax, assessment, charge or return would not have or reasonably be expected to result in a Material Adverse Effect. The Company has not received notice of any unpaid taxes in any material amount claimed to be due by the Company by the taxing authority of any jurisdiction.

2.1.29. Environmental Matters. To the knowledge of the Company, the Company (i) is not in violation of any statute, rule, regulation, decision or order of any governmental agency or body or any court, domestic or foreign, relating to the use, disposal or release of hazardous or toxic substances or relating to

the protection or restoration of the environment or human exposure to

hazardous or toxic substances (collectively, "Environmental Laws"), (ii) owns or operates any real property contaminated with any substance that is in violation of any Environmental Laws, (iii) is liable for any off-site disposal or contamination pursuant to any Environmental Laws, or (iv) is subject to any claim relating to any Environmental Laws; which violation, contamination, liability or claim has had or would have, individually or in the aggregate, a Material Adverse Effect; and there is no pending investigation or, to the knowledge of the Company, investigation threatened in writing that might lead to such a claim.

2.1.30. No General Solicitation. Neither the Company nor, to the knowledge of the Company, any Person acting on behalf of the Company has offered or sold any of the Shares by any form of general solicitation or general advertising.

2.1.31. Off Balance Sheet Arrangements. There is no transaction, arrangement, or other relationship between the Company and an unconsolidated or other off balance sheet entity that is required to be disclosed by the Company in the SEC Reports and is not so disclosed and would have or reasonably be expected to result in a Material Adverse Effect.

2.1.32. Foreign Corrupt Practices. Neither the Company, nor to the knowledge of the Company, any agent or other Person acting on behalf of the Company, has (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company (or made by any Person acting on its behalf of which the Company is aware) which is in violation of law, or (iv) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended.

2.1.33. Regulation M Compliance. The Company has not, and to the knowledge of the Company no one acting on its behalf has, (i) taken, directly or indirectly, any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Shares, (ii) sold, bid for, purchased, or, paid any compensation for soliciting purchases of, any of the Shares in violation of Regulation M under the Exchange Act, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

2.1.34. PFIC Status. The Company is not nor does it intend to become a "passive foreign investment company" within the meaning of Section 1297 of the U.S. Internal Revenue Code of 1986, as amended.

2.1.35. OFAC Status. Neither the Company, nor to the knowledge of the Company, any director, officer, agent, employee, Affiliate or Person acting on behalf of the Company is currently subject to any U.S. sanctions

administered by the Office of Foreign Assets Control of the U.S. Treasury

Department ("OFAC"); and the Company will not directly or indirectly use the proceeds of the sale of the Shares, or lend, contribute or otherwise make available such proceeds to any joint venture partner or other Person or entity, towards any sales or operations in Cuba, Iran, Syria, Sudan, Myanmar or any other country sanctioned by OFAC or for the purpose of financing the activities of any Person currently subject to any U.S. sanctions administered by OFAC.

2.1.36. FDA. There is no legal or governmental proceeding to which the Company is a party or of which any property or assets of the Company is the subject, including any proceeding before the United States Food and Drug Administration of the U.S. Department of Health and Human Services ("FDA") or comparable federal, state, local or non-U.S. governmental bodies (it being understood that the interaction between the Company and the FDA and such comparable governmental bodies relating to the clinical development and product approval process shall not be deemed proceedings for purposes of this representation), which, singularly or in the aggregate, if determined adversely to the Company, would have or would reasonably be expected to have a Material Adverse Effect; and to the knowledge of the Company, no such proceedings are threatened or contemplated by governmental authorities or threatened by others. The Company is in compliance with all applicable federal, state, local and non-U.S. laws, regulations, orders and decrees governing its business as prescribed by the FDA, or any other federal, state or non-U.S. agencies or bodies engaged in the regulation of pharmaceuticals, except where noncompliance would not, singularly or in the aggregate, be reasonably likely to have a Material Adverse Effect. All preclinical studies and clinical trials conducted by or on behalf of the Company, including those necessary to support approval for commercialization of the Company's products or product candidates, have been conducted by the Company, as applicable, or to the knowledge of the Company by third parties, in material compliance with all applicable federal, state or non-U.S. laws, rules, orders and regulations.

2.2. Representations and Warranties of AZ. AZ hereby represents and warrants to the Company as follows:

2.2.1. Corporate Organization. AZ is a company duly organized and validly existing and in good standing under the laws of Sweden.

2.2.2. Corporate Authority. AZ has the requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance by AZ of this Agreement and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary corporate action. This Agreement is the valid and binding agreement of AZ, enforceable against AZ in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable

remedies and (iii) insofar as indemnification and contribution provisions may

be limited by applicable law.

2.2.3. Conflicting Agreements and Other Matters. The execution, delivery and performance by AZ of this Agreement and the consummation by AZ of the transactions contemplated hereby do not and will not (i) conflict with or violate any provisions of AZ's certificate of incorporation or bylaws, (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would result in a default) under, result in the creation of any Lien upon any of the properties or assets of AZ or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any material contract, or (iii) conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which AZ is subject (including federal and state securities laws and regulations), or by which any property or asset of AZ is bound or affected, except in the case of clauses (ii) and (iii) such as would not, individually or in the aggregate, have or reasonably be expected to result in a material adverse effect or a material adverse effect on the legality, validity or enforceability of this Agreement or AZ's ability to perform in any material respect on a timely basis its obligations under this Agreement).

2.2.4. Opportunity to Investigate. Prior to the execution of this Agreement, AZ and its advisors have had the opportunity to ask questions of, and receive answers from, representatives of the Company concerning the terms and conditions of the transactions contemplated hereby, and the finances, operations, business and prospects of the Company. AZ and its advisors have also had the opportunity to obtain additional information that AZ believed to be necessary to verify the accuracy of information furnished about the Company. Accordingly, AZ has independently evaluated the risks of purchasing the Shares, and AZ is satisfied that it has received information with respect to all matters that it considers material to its decision to make this investment and has based the decision to acquire the Shares solely on such information.

2.2.5. Acquisition for Investment. AZ (i) is acquiring the Shares for its own account for the purpose of investment and not with a view to or for sale in connection with any distribution thereof, and AZ has no present intention to effect, or any present or contemplated plan, agreement, undertaking, arrangement, obligation, indebtedness, or commitment providing for, any distribution of Shares, (ii) is an "accredited investor" as defined in Rule 501(a) under the Securities Act, (iii) has carefully reviewed the representations of the Company contained in this Agreement and has made inquiry concerning the Company, its business and its personnel, and (iv) has sufficient knowledge and experience in finance and business that it is capable of evaluating the risks and merits of its investment in the Company and is able financially to bear the risks thereof. However, by making the representations herein, AZ does not agree to hold any of the Shares for any minimum period of time and reserves the right, subject to the provisions of this Agreement, at all time to sell or otherwise dispose of all or any part of the Shares pursuant to an effective registration statement under the Securities Act or under an exemption from such

registration and in compliance with applicable federal and state securities laws..

2.2.6. Exempt Offering. AZ acknowledges that the Shares have not been registered under the Securities Act and are being offered and sold pursuant to an exemption from registration contained in the Securities Act based in part upon the representations of AZ contained in this Agreement.

3. RESTRICTIONS ON TRANSFER

3.1. Restrictions on Transfer. The Shares shall not be sold or transferred unless the transfer (i) complies with Rule 144, or an exemption from registration under the Securities Act, (ii) is pursuant to a registration statement under the Securities Act covering the resale of such Shares or (iii) is to the Company.

3.2. Legend. Each certificate or book-entry statement representing the Shares shall bear a legend substantially in the following form:

"THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW AND THEY MAY NOT BE OFFERED, SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE ASSIGNED BY ANY PERSON, INCLUDING A PLEDGEE, UNLESS (1) EITHER (a) SUCH SHARES FIRST SHALL HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (b) THE TRANSFER COMPLIES WITH RULE 144 OR AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND, IF REQUESTED BY THE COMPANY, THE COMPANY SHALL HAVE RECEIVED AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY THAT AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT IS THEN AVAILABLE, AND (2) THERE SHALL HAVE BEEN COMPLIANCE WITH ALL APPLICABLE STATE SECURITIES LAWS."

3.3. Legend Removal. The Shares shall not be required to bear the legend set forth in Section 3.2 (i) after the registration of such Shares for resale under the Securities Act, (ii) following any sale of such Shares pursuant to Rule 144 or (iii) if such Shares are eligible for sale under Rule 144 without the need to satisfy the current public information requirement under Rule 144 and without volume or manner-of-sale restrictions. Pieris agrees that following such time as the legend is no longer required under this Section 3.3, no later than two (2) Business Days following the delivery by AZ of (i) an instrument, whether certificated or uncertificated, representing the Shares issued with a restrictive legend, (ii) a written request addressed to Pieris that such restrictive legend be removed, and (iii) customary broker and representation letters in form and substance reasonably satisfactory to Pieris, Pieris will deliver or cause to be delivered to AZ an instrument, certificated or uncertificated as directed by AZ, representing such Shares that is free from such restrictive legend. In connection therewith, Pieris shall cause its counsel to issue a legal opinion to Pieris's transfer agent promptly if required by Pieris's transfer agent to affect the removal of the legend from the Shares. Each party will be responsible for its fees incurred in connection with such request and removal. For the avoidance of doubt, Pieris will be responsible for fees incurred in connection with any opinion delivered by its counsel pursuant to this Section 3.3.

3.4. Rule 144 Reporting. With a view to making available to AZ the benefits of certain rules and regulations of the Commission which may permit the sale of the Shares to the public without registration, the Company agrees to use its commercially reasonable efforts to make and keep current public information with respect to the Company available, as those terms are understood and defined in Rule 144, at all times during the period commencing on the Execution Date and ending on the one-year anniversary of the Closing.

4. COVENANTS OF THE COMPANY.

4.1. Listing of Securities. In the time and manner required by Nasdaq, the Company shall prepare and file with Nasdaq a Listing of Additional Shares form covering all of the Shares and shall use its commercially reasonable efforts to take all steps necessary to obtain confirmation from Nasdaq that it has completed its review of such form with no objection to the transactions contemplated hereby.

4.2. Furnishing of Information. Until the date that AZ no longer holds any Registrable Securities, the Company shall use its commercially reasonable efforts to timely file (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof pursuant to the Exchange Act. During such period, if the Company is not required to file reports pursuant to the Exchange Act, it will prepare and furnish to AZ and make publicly available in accordance with Rule 144(c) such information as is required for AZ to sell the Registrable Securities under Rule 144.

5. REGISTRATION RIGHTS.

5.1. Registration.

5.1.1. Pieris shall prepare and, as soon as practicable but in no event later than sixty (60) calendar days following the Closing (the "Filing Deadline"), file with the Commission a Registration Statement on Form S-3

Deadline"), file with the Commission a Registration Statement on Form S-3

covering the resale of the Registrable Securities (the "Registration Statement"). In the event that Form S-3 is not available for the registration of the resale of Registrable Securities hereunder, Pieris shall (i) register the resale of the Registrable Securities on another appropriate form reasonably acceptable to AZ and (ii) undertake to register the Registrable Securities on Form S-3 promptly after such form is available; provided that Pieris shall use its commercially reasonable efforts to maintain the continuous effectiveness of the Registration Statement then in effect until such time as a Registration Statement on Form S-3 covering the Registrable Securities has been declared effective by the Commission. Pieris shall use its commercially reasonable efforts to have the Registration Statement declared effective by the Commission as soon as practicable, but in no event later than the thirtieth (30th) calendar day following the Filing Deadline (or, in the event the Commission reviews and has comments to the Registration Statement, the sixtieth (60th) calendar day following the Filing Deadline) (the "Registration Statement Effective Date"). By 5:30 p.m. (Eastern time) on the second (2nd) Business Day following the Registration Statement Effective Date, the Company shall file with the Commission, in accordance with Rule 424 under the Securities Act, the final prospectus to be used in connection with sales pursuant to such Registration Statement.

5.1.2. Notwithstanding the foregoing, Pieris may delay the filing or effectiveness of the registration of Registrable Securities pursuant to this Section 5.1 or suspend the use of the Registration Statement (and AZ hereby agrees not to offer or sell any Registrable Securities pursuant to such Registration Statement) for a period of not more than ninety (90) calendar days if (i) Pieris reasonably believes that there is or may be in existence material nonpublic information or events involving Pieris, the failure of which to be disclosed in the prospectus included in the Registration Statement could result in a Violation, or (ii) the consummation of any business combination by Pieris has occurred or is probable and which business combination would require the filing of financial statements pursuant to Rule 3-05 or Article 11 of Regulation S-X promulgated by the Commission or any similar successor rule. If Pieris exercises its right to delay the filing or effectiveness or suspend the use of the Registration Statement hereunder, the applicable time period during which the Registration Statement is to remain effective will be extended by a period of time equal to the duration of the suspension period. If so directed by Pieris, AZ will (i) not offer to sell any Registrable Securities pursuant to the Registration Statement during the period in which the delay or suspension is in effect after receiving notice of such delay or suspension; and (ii) use its commercially reasonable efforts to deliver to Pieris (at Pieris's expense) all copies, other than permanent file copies then in AZ's possession, of the prospectus relating to such Registrable Securities current at the time of receipt of such notice. Pieris will use its commercially reasonable efforts to maintain the continuous effectiveness of the Registration Statement (or another shelf registration statement that includes the Registrable Securities) until the date on which all of the Registrable Securities included in such registration statement have actually been sold.

5.1.3. Pieris shall (i) prepare and file with the Commission such

amendments (including post-effective amendments) and supplements to the Registration Statement and the Rule 424 prospectus used in connection with such Registration Statement as may be necessary to keep such Registration Statement effective as to the Registrable Securities during the Registration Period, and (ii) during such period, comply with the provisions of the Securities Act with respect to the disposition of all Registrable Securities covered by such Registration Statement until such time as all of such Registrable Securities shall have been disposed of in accordance with the intended methods of disposition by AZ as set forth in such Registration Statement.

5.1.4. Pieris shall ensure that the Registration Statement (including any amendments or supplements thereto and prospectuses contained therein) shall not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances in which they were made, not misleading.

5.1.5. In no event shall AZ be identified as a statutory underwriter in the Registration Statement unless requested by the Commission; provided that if the Commission requests that AZ be identified as a statutory underwriter in the Registration Statement, AZ will have an opportunity to withdraw the Registrable Securities from the Registration Statement.

5.2. Registration Expenses. Pieris will pay all Registration Expenses incurred in connection with the registration of Registrable Securities pursuant to this Section 5. All Selling Expenses relating to the distribution of the Registrable Securities applicable to Registrable Securities sold by AZ incurred in connection with the registration pursuant to this Section 5 will be borne by AZ.

5.3. Notification of Certain Events. At its expense Pieris shall advise AZ within two (2) calendar days: (i) when the Registration Statement or any post-effective amendment thereto has become effective; (ii) of any request by the Commission for amendments or supplements to the Registration Statement or the prospectus included therein or for additional information; (iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for such purpose; (iv) of the receipt by Pieris of any notification with respect to the suspension of the qualification of the Shares included therein for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and (v) subject to the provisions in this Agreement, of the occurrence of any event that requires the making of any changes in the Registration Statement or prospectus included therein so that, as of such date, the statements therein are not misleading and do not omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of the prospectus, in the light of the circumstances under which they were made) not misleading. Upon receipt of any notice from Pieris of the happening of any of the foregoing, AZ will immediately discontinue offers and sales of the Registrable Securities under the Registration Statement (excluding, for the avoidance of doubt, sales conducted pursuant to Rule 144) until AZ receives copies of a supplemental or amended prospectus (which Pieris agrees to promptly prepare) that corrects the misstatement(s) or omission(s) referred to above and receives notice that any post-effective amendment has become effective or unless otherwise notified by Pieris that it may resume such offers and sales. Pieris shall use its commercially reasonable efforts to obtain the withdrawal of any

order suspending the effectiveness of the Registration Statement as soon as reasonably

practicable. Upon the occurrence of any event contemplated in clauses (i) through (v) above, except for such times as Pieris is permitted hereunder to suspend, and has suspended, the use of the prospectus forming part of the Registration Statement, Pieris shall use its commercially reasonable efforts to as soon as reasonably practicable prepare a post-effective amendment to such Registration Statement or a supplement to the related prospectus, or file any other required document so that, as thereafter delivered to AZ, such prospectus will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

5.4. Certain Conditions. It will be a condition of AZ's rights hereunder to have Registrable Securities owned by it registered that: (i) AZ will cooperate with Pieris by supplying information and executing documents relating to Pieris or the securities of Pieris owned by AZ that are reasonably necessary to effectuate the registration of the Registrable Securities; and (ii) AZ will enter into such undertakings and take such other actions relating to the conduct of the proposed offering that Pieris may reasonably request as being necessary to ensure compliance with federal and state securities laws and the securities laws of any applicable jurisdiction and the rules or other requirements of the applicable exchange. In the event of any registration under the Securities Act of any Registrable Securities pursuant to this Section 5, Pieris will indemnify and hold harmless AZ, each of its directors, officers, employees, Affiliates and equity holders against such losses, claims, damages or liabilities (including reimbursement for reasonable and documented legal and other expenses) to which AZ or any such director, officer, employee, Affiliate or equity holder may become subject under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages or liabilities arise out of or are based upon a Violation; provided, however, that the indemnity agreement contained in this Section 5.4 will not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without Pieris's consent, which consent will not be unreasonably withheld, conditioned or delayed, nor will Pieris be liable in any such case for any such loss, claim, damage, liability or action to the extent that it arises out of or is based upon a Violation that occurs in reliance upon and in conformity with written information furnished to Pieris expressly for use in connection with such registration by any of such indemnified parties; and provided, further that AZ will indemnify and hold harmless Pieris, each of its directors, its officers, and each person, if any, who controls Pieris within the meaning of the Securities Act, against such losses, claims, damages or liabilities (including reimbursement for reasonable and documented legal and other expenses) to which Pieris or any such director, officer or controlling person may become subject under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages or liabilities arise out of or are based upon a Violation, in each case, to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished to Pieris expressly for use in connection with such registration by any of such indemnifying parties, provided, however, that the indemnity agreement contained in this Section 5.4 will not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without AZ's consent, which consent will not be unreasonably withheld, conditioned or delayed; provided, further, that in no event shall the obligations of AZ in this Section 5.4 exceed the net proceeds received by it from the sale of its Registrable Securities related to the matter in which losses or damages are sought.

5.5. Assignment of Registration Rights. AZ's registration rights as set forth in Section 5.1 above may be assigned to one or more Affiliates of AZ as provided in Section 7.7 in each case so long as AZ is not relieved of any liability or obligations under this Section 5.

6. INTERPRETATION; DEFINITIONS

6.1. Interpretation. As used in this Agreement, unless the context otherwise requires: (a) words of any gender include all genders; (b) words using the singular or plural number also include the plural or singular number, respectively; and (c) the terms "hereof," "herein," and "hereby," and any derivative or similar words, refer to this entire Agreement.

6.2. Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

6.2.1. "Affiliate" shall have the meaning set forth in Rule 12b-2 under the Exchange Act.

6.2.2. "Business Day" means any day on which banking institutions are open in New York, New York.

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

6.2.4. "Irrevocable Transfer Agent Instructions" means the Irrevocable Transfer Agent Instructions regarding the delivery of the Shares to AZ in accordance with this Agreement, executed by the Company and delivered to and acknowledged in writing by the Transfer Agent.

6.2.5. "Lien" means any lien, charge, encumbrance, security interest, right of first refusal, preemptive right or other restrictions of any kind.

6.2.6. "Material Adverse Effect" means a material adverse effect on the business, assets (including intangible assets), liabilities, financial condition, property, prospects or results of operations of the Company.

6.2.7. "Person" means any individual, partnership, joint venture, corporation, limited liability company, trust, unincorporated organization, government or department or agency of a government or other entity.

6.2.8. "Proceeding" means an action, claim, suit, investigation or proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened in writing.

6.2.9. "Registrable Securities" means the Shares (including any Common Stock that may be issued or distributed in respect thereof by way of dividend or split or other distribution, recapitalization or reclassification); provided, however, that the Shares shall cease to be Registrable Securities upon the sale to the public either pursuant to a registration statement under the

Securities Act or under Rule 144 (in which case, only such Shares sold shall

cease to be Registrable Securities).

6.2.10. "Registration Expenses" means any and all expenses incurred by Pieris in complying with the provisions of Section 5, including (i) all Commission and stock exchange or financial regulatory authority registration and filing fees, (ii) all fees and expenses of complying with securities or blue sky laws, (iii) all printing, messenger and delivery expenses, (iv) all fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange, and (v) the fees and disbursements of counsel for Pieris and of its independent public accountants.

6.2.11. "Selling Expenses" means all (i) underwriting discounts, commissions, or fees of underwriters, selling brokers, dealer managers or similar securities industry professionals applicable to an offering involving Registrable Securities registered pursuant to Section 5 and (ii) fees and expenses of any legal counsel, accountants and any other advisors of AZ.

6.2.12. "Violation" means (i) any untrue statement or alleged untrue statement of a material fact contained in a registration statement to be filed under this Agreement or incorporated by reference therein, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by Pieris of the Securities Act, the Exchange Act, any state securities law or any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities law in connection with the offering covered by such registration statement.

7. MISCELLANEOUS

7.1. Termination. This Agreement may be terminated (i) by AZ, in the event that the Shares shall not have been issued on or before the seventh (7^{th}) Business Day following the Effective Date, (ii) by the Company, if payment for the Shares shall not have been received on or before the seventh (7^{th}) Business Day following the Effective Date, or (iii) upon mutual written consent of the Parties hereto.

7.2. Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated. It is hereby stipulated and declared to be the intention of the Parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such which may be hereafter declared invalid, void or unenforceable.

7.3. Specific Enforcement. AZ, on the one hand, and the Company, on the other, acknowledge and agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions to prevent breaches of the provisions hereof in any court of the United States or any state thereof having jurisdiction, this being in addition to any

the United States or any state thereof having jurisdiction, this being in addition to any

other remedy to which they may be entitled at law or equity.

7.4. Entire Agreement. This Agreement contains the entire understanding of the Parties with respect to the transactions contemplated hereby.

7.5. Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile transmission or PDF or any other electronically transmitted signatures such as via DocuSign), all of which shall be considered one and the same agreement and shall become effective when one or more of the counterparts have been signed by each Party and delivered to the other Parties, it being understood that all Parties need not sign the same counterpart.

7.6. Notices. All notices and other communications required or permitted under this Agreement shall be effective upon receipt and shall be in writing and may be delivered in person, by telecopy, electronic mail, overnight delivery service or registered or certified United States mail, addressed to the Company or AZ, as the case may be, at their respective addresses set forth below:

If to the Company:

Pieris Pharmaceuticals, Inc.
255 State Street, 9th Floor
Boston, MA 02109
Attn: General Counsel
legal@pieris.com

If to AZ:

AstraZeneca AB
Pepparredsleden 1
S-431 83 Mölndal
Attn: Legal Department
Email: legalnotices@astrazeneca.com
With a copy to: Tyrell Rivers
Email: tyrell.rivers@astrazeneca.com

with a copy to:

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, MA 02111
Attn: Megan Gates, Esq.
(617) 542-6000

with a copy to:

Covington & Burling LLP
One City Center
850 Tenth Street NW
Washington, DC 20001
Attn: Michael J. Riella
Email: mriella@cov.com

All notices and other communications shall be effective upon the earlier of actual receipt thereof by the person to whom notice is directed or (a) in the case of notices and communications sent by personal delivery, facsimile or electronic mail, as of the date such notice or communication arrives at the applicable address or was successfully sent to the applicable facsimile number or e-mail address, (b) in the case of notices and communications sent by overnight delivery service, at noon (local time) on the second Business Day following the day such notice or communications was delivered to such delivery service, and (c) in the case of notices and communications sent by United States mail, seven calendar days after such notice or communication shall have been deposited in the United States mail. Any notice delivered to a Party hereunder shall be sent simultaneously, by the same means, to such Party's counsel as set forth above.

7.7. Amendments. This Agreement may be amended only with the written consent of the Company and AZ. This Agreement may not be waived, changed, modified

consent of the Company and A2. This Agreement may not be waived, changed, modified

or discharged orally, but only by an agreement in writing signed by the Party or Parties against whom enforcement of any waiver, change, modification or discharge is sought or by parties with the right to consent to such waiver, change, modification or discharge on behalf of such party.

7.8. Successors and Assigns. All covenants and agreements contained herein shall bind and inure to the benefit of the Parties hereto and their respective successors and assigns; provided, however, that AZ may assign its rights hereunder (including its right to purchase the Shares) to an Affiliate of AZ, provided that such Affiliate agrees in writing to be bound by the terms and conditions set forth herein, and the Company may not assign any of its rights under this Agreement without the written consent of AZ, which consent shall not be unreasonably withheld.

7.9. Survival. Notwithstanding any investigation made by or on behalf of AZ or Pieris prior to, on or after the Closing, the representations and warranties contained in this Agreement and any certificate delivered hereunder shall survive the Closing. The covenants of the parties hereto shall survive until fully performed and discharged, unless otherwise expressly provided herein.

7.10. Expenses and Remedies. All costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be borne by the Party incurring such expense (other than as provided in Section 5.2).

7.11. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without regard to conflicts of law principles. Each Party agrees that all Proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by the Transaction Documents (whether brought against a Party hereto or its respective Affiliates, employees or agents) shall be commenced exclusively in a court of the State of Delaware or a federal court located in the State of Delaware (collectively, the "Delaware Courts"). Each party hereto irrevocably submits to the exclusive jurisdiction of the Delaware Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby (including with respect to the enforcement of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any Proceeding, any claim that it is not personally subject to the jurisdiction of any such Delaware Court, or that such Proceeding has been commenced in an improper or inconvenient forum. Each Party hereto irrevocably waives personal service of process and consents to process being served in any such Proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such Party at the address in effect for notices to it under this agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

7.12. No Third-Party Beneficiaries. Nothing contained in this Agreement is intended to confer upon any Person other than the parties hereto and their respective successors and permitted assigns, any benefit, right or remedies under or by reason of this

Agreement.

7.13. Interpretation. The Parties hereby acknowledge and agree that: (a) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (b) the rule of construction to the effect that any ambiguities are resolved against the drafting Party shall not be employed in the interpretation of this Agreement; and (c) the terms and provisions of this Agreement shall be construed fairly as to all Parties hereto and not in a favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the day and year first above written.

PIERIS PHARMACEUTICALS, INC.

DocuSigned by:

By: _____
75486A6C0DAE4EE...
Name: Stephen Yoder
Title: President and CEO

ASTRAZENECA AB

DocuSigned by:
Ulrika Lilja

By: _____
228681FD205F434...
Name: Ulrika Lilja
Title: Authorised Signatory

Exhibit A-1

Legal Opinion

Re: Pieris Pharmaceuticals, Inc.

Ladies and Gentlemen:

This letter is being furnished to you pursuant to Section 1.3.1 of the Subscription Agreement, dated March 29, 2021 (the "Subscription Agreement"), by and between Pieris Pharmaceuticals, Inc., a Nevada corporation (the "Company"), and AstraZeneca AB ("AZ"). Capitalized terms used herein and not defined herein shall have the respective meanings ascribed thereto in the Subscription Agreement.

We have acted as counsel to the Company in connection with the Subscription Agreement and the transactions contemplated thereby, including the issuance of the Shares. In connection with the rendering of the opinions set forth below, we have reviewed copies of executed originals or counterparts of the following documents:

- the Subscription Agreement;
- the resolutions of the Board of Directors of the Company approving and authorizing the Subscription Agreement and the transactions contemplated thereby;
- the Company's Amended and Restated Articles of Incorporation, as amended; and
- the Company's Amended and Restated Bylaws.

Insofar as the opinions in this letter relate to factual matters, information with respect to which is in the possession of the Company, we have relied, in the absence of our actual knowledge to the contrary, upon certificates, statements and representations of officers and other representatives of the Company, representations made in or pursuant to the Subscription Agreement, as well as certificates contemporaneously delivered by the Company to us.

In our examination of the documents referred to above, we have assumed, with your permission and without independently verifying such assumptions: (i) the genuineness of all signatures on all documents and instruments examined by us; (ii) the authenticity of all documents submitted to us as originals; and (iii) the conformity to the originals of all documents submitted to us as certified, photostatic or conformed copies, including documents transmitted electronically, and the authenticity of the originals of such documents. We have further assumed, also with your permission and without independent inquiry or investigation, that AZ has all requisite power and authority, has taken all necessary action (corporate or otherwise), and has received all necessary consents and approvals, to authorize, execute and deliver the Subscription Agreement, and to effect the transactions contemplated thereby, that the Subscription Agreement has been duly authorized and validly executed and delivered by AZ, that, with respect to AZ, the Subscription Agreement constitutes legal, valid and binding obligations, and that the representations and warranties made by AZ in the Subscription Agreement and pursuant thereto are true and correct.

Any reference to "our knowledge," "matters known to us," or words of similar import shall, except as otherwise specifically described herein, mean the conscious awareness of the existence or absence of any facts or other information by any lawyer in this firm who has participated directly in our representation of the Company in connection with the transactions contemplated by the Subscription Agreement. Other than as set forth herein, we have not undertaken, for purposes of this opinion letter, any independent investigation to determine the existence or absence of such

facts, and no inference as to our knowledge of the existence or absence of such facts should be drawn from the fact of our representation of the Company. Moreover, we have not searched any computerized or electronic databases or the dockets of any court, regulatory body, or governmental agency or other filing offices in any jurisdiction.

Our opinions below are limited to the federal law of the United States of America, the laws of the Commonwealth of Massachusetts and the General Corporation Law of the State of Delaware and we express no opinion with respect to the laws of any other jurisdiction. The opinions expressed herein are based upon currently existing statutes, rules, regulations and judicial decisions and, except as otherwise noted, are rendered as of the date hereof. We disclaim any obligation to advise you of any change in the foregoing sources of law, subsequent developments in the law, or changes in facts or circumstances which might affect any matters or opinions set forth herein. We are opining only as to the matters expressly set forth herein, and no opinion should be inferred as to other matters. We express no opinion with respect to any questions of choice of law, choice of venue or conflicts of laws.

Our opinions expressed in paragraph 1 below as to the good standing and foreign qualification of the Company are based solely upon good standing or similar certificates issued by the appropriate authorities in the Commonwealth of Massachusetts, and our opinions with respect to such matters are rendered as of the date of such good standing or similar certificates and limited accordingly.

For purposes of our opinion set forth in paragraph 2 below, we express no opinion as to the enforceability of any provision of the Subscription Agreement that: (a) requires the Company to make payment upon breach or otherwise provides for liquidated damages, monetary penalties or other economic remedies to the extent such provisions are deemed to constitute a penalty, (b) provides rights of indemnity or contribution with respect to a liability where such indemnification or contribution is contrary to public policy and invalid under law or court decisions, or (c) relates to whether the laws of any particular jurisdiction apply or the submission to jurisdiction or waiver of jury trial provisions.

For purposes of our opinion set forth in paragraph 5, we have assumed that (a) neither the Company nor any person acting on behalf of the Company has offered or sold the Shares or other securities of the Company that could be "integrated" with the sale of the Shares by any form of general solicitation or general advertising within the meaning of Regulation D promulgated under the Securities Act and (b) there will be no offerings or sales of securities of the Company after the date hereof in a transaction that can be so "integrated."

Based upon the foregoing assumptions, limitations and qualifications, we are of the opinion that:

1. The Company is qualified to do business as a foreign corporation and is in good standing in the Commonwealth of Massachusetts.

2. The Subscription Agreement has been duly authorized, executed and delivered by the Company and constitutes a valid and binding agreement of the Company enforceable against the Company in accordance with its terms.

3. The execution and delivery of the Subscription Agreement by the Company and the issuance and sale of the Shares pursuant to the Subscription Agreement do not (a) constitute a default under or a breach of any material contracts filed with the

Company's Form 10-K for the year ended December 31, 2019 and subsequent Form 10-Qs or Form 8-Ks (collectively, the "Reviewed Agreements") or (b) violate any U.S. federal or Massachusetts state statute, law, rule or regulation that in our experience is typically applicable to transactions of the nature contemplated by the Subscription Agreement, in each case to the extent such violation would materially and adversely affect the Company and its subsidiaries, taken as a whole.

4. All consents, approvals, authorizations, or orders of, and filings, registrations, and qualifications with any U.S. federal or Massachusetts state regulatory authority or governmental body required for the issuance of the Shares has been made or obtained, other than filings required to be made under U.S. federal or state "blue sky" laws that may be made properly after the issuance of the Shares.

5. The offer and sale of the Shares pursuant to the Subscription Agreement are exempt from the registration requirements of Section 5 of the Securities Act.

6. The Company is not, and, after giving effect to the issue and sale of the Shares, will not be, required to be registered as an "investment company" under the Investment Company Act of 1940.

7. The holders of outstanding shares of capital stock of the Company are not entitled to preemptive rights, rights of first refusal, rights of first offer or other similar rights to subscribe for the Shares arising under any Reviewed Agreement.

This opinion letter shall be interpreted in accordance with the Legal Opinion Principles issued by the Committee on Legal Opinions of the American Bar Association's Section of Business Law as published in 53 Business Lawyer 831 (May 1998).

The opinions expressed herein are given as of the date hereof and we undertake no obligation hereby and disclaim any obligation to advise you of any change in fact or law after the date hereof pertaining to any matter referred to herein or to modify, further qualify or limit or withdraw any of our opinions as a result of any such change. This letter is delivered solely for the benefit of AZ and is not to be used, circulated, quoted, relied upon or otherwise referred to by any other person or for any other purpose except with our prior written consent.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

Very truly yours,

MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY AND POPEO, P.C.

Exhibit A-2

Legal Opinion

March __, 2021

AstraZeneca AB
as Purchaser (as defined below) under the Subscription Agreement (as defined below)
21823 30th Drive SE
Bothell, WA 98021

Ladies and Gentlemen:

We have acted as local Nevada counsel to Pieris Pharmaceuticals Inc., a Nevada corporation (the "Company"), in connection with the issuance and sale by the Company of _____ shares (collectively, the "Shares") of the Company's common stock, par value $0.001 per share (the "Common Stock"), pursuant to that certain Subscription Agreement, dated as of the date hereof (the "Subscription Agreement"), by and between AstraZeneca (the "Purchaser"), and the Company. This opinion letter is being delivered to you pursuant to Section 1.3.1 of the Subscription Agreement. Capitalized terms used herein, unless otherwise defined, shall have the respective meanings ascribed to them in the Subscription Agreement.

For the purpose of issuing this opinion letter, we have examined originals, or copies certified or otherwise identified to our satisfaction as being true copies, of the following records, documents, instruments and certificates:

(i) the Subscription Agreement;

(ii) the articles of incorporation and bylaws of the Company, each as amended to date (the "Governing Documents");

(iii) such corporate records, proceedings, minutes, consents, actions and resolutions of the board of directors of the Company as we have deemed necessary as a basis for the opinions expressed herein, including, without limitation, the resolutions of the board of directors of the Company authorizing and approving, among other matters, the execution and delivery by the Company of the Subscription Agreement, the consummation of the transactions contemplated thereby (the "Transactions") and the performance by the Company of its obligations thereunder;

(iv) the Certificate of Existence with Status in Good Standing issued by the Nevada Secretary of State on March [18], 2021, with respect to the good standing in Nevada of the Company on that date; and

(v) the certificate, dated as of the date hereof, of an officer of the Company with respect to certain factual matters (the "Officer's Certificate") and any other certificates of any officers of the Company required by or delivered in connection with the closing of the Transactions (collectively with the Officer's

Certificate, the "Certificates").

We have made such legal and factual examinations and inquiries as we have deemed necessary or appropriate for purposes of this opinion letter. We have been furnished with, and with your consent have relied upon, as to factual matters, the Certificates and such assurances of the officers and other representatives of the Company, and of public officials, as we have deemed necessary for the purpose of issuing the opinions set forth herein. As to questions of fact material to our opinions, we have also relied upon the statements of fact and the representations and warranties as to factual matters contained in the documents we have examined; however, except as otherwise expressly indicated, we have not been requested to conduct, nor have we undertaken, any independent investigation to verify the content or veracity thereof or to determine the accuracy of any statement, and no inference as to our knowledge of any matters should be drawn from the fact of our representation of the Company.

Without limiting the generality of the foregoing, in issuing this opinion letter, we have, with your permission, assumed without independent verification that: (i) the statements of fact and all representations and warranties set forth in the documents we have examined are true and correct as to factual matters; (ii) the obligations of each party set forth in the documents we have examined are or will be its valid and binding obligations, enforceable against such party in accordance with their respective terms; (iii) all documents that we have examined accurately describe and contain the mutual understanding of the parties thereto and there are no oral or written agreements or understandings, and there is no course of prior dealing between or among any of the parties that would in any manner vary or supplement the terms and provisions of such documents, or of the relationships set forth therein, or which would constitute a waiver of any of the provisions thereof by the actions or conduct of the parties or otherwise, or which would have any effect on the opinions issued herein; (iv) all authorizations, approvals, actions, orders, permits and consents from, and notices to or filings with, any governmental or regulatory authority in jurisdictions other than the State of Nevada and from, to or with any third party, that are required in connection with the execution and delivery by any person of the Subscription Agreement, the performance of any party's obligations thereunder and the consummation of the Transactions, have been obtained, taken, received or made, and are in full force and effect; (v) each natural person executing a document has sufficient legal capacity to do so; (vi) all documents submitted to us as originals are authentic, the signatures on all documents that we have examined are genuine and all documents submitted to us as certified, conformed, photostatic, electronic or facsimile copies conform to the original document; and (vii) all corporate records made available to us by the Company, and all public records we have reviewed, are accurate and complete.

As used herein, all references to (i) "NRS" and sections thereof, or to "statutes" generally, are to the Nevada Revised Statutes as in effect on the date hereof; (ii) "Nevada Governmental Authorities" are to the governmental and regulatory authorities, bodies, instrumentalities and agencies and state courts of the State of Nevada, excluding its political subdivisions and local agencies, having jurisdiction over the Company; and (iii) "Applicable Nevada Law" are to those statutes, rules and regulations of the State of Nevada, which we, in the exercise of our customary professional diligence, recognize as being directly applicable to the Company and the Transactions.

We are qualified to practice law in the State of Nevada. The opinions set forth herein are

expressly limited to the effect on the Transactions only of the internal laws of the State of Nevada, and we do not purport to be experts on, or to express any opinion with respect to the applicability thereto or effect thereon of, the laws of any other jurisdiction. We express no opinion concerning, and we assume no responsibility as to laws or judicial decisions related to, or any orders, consents or other authorizations or approvals as may be required by, any federal laws, rules or regulations, including, without limitation, any federal securities laws, rules or regulations, or any state securities or "blue sky" laws, rules or regulations.

Based upon the foregoing, and subject to the qualifications, limitations, exceptions and assumptions set forth herein, we are of the opinion that:

1. The Company is validly existing as a corporation and in good standing under the laws of the State of Nevada.

2. The Company has the corporate power and authority to (a) execute and deliver the Subscription Agreement and perform its obligations thereunder and (b) own or lease, as applicable, and operate its current properties and conduct its current business, each as described in the Company's Annual Report on Form 10-K for the year ended December 31, [2019].

3. The execution and delivery by the Company of the Subscription Agreement and the issuance by the Company of the Shares pursuant to and in accordance with the Subscription Agreement do not violate the Governing Documents or any Applicable Nevada Law.

4. No consent, approval, authorization, order, registration or qualification of, from or with any Nevada Governmental Authority is required to be obtained by the Company under Applicable Nevada Law for the execution and delivery by the Company of the Subscription Agreement or the issuance by the Company of the Shares as contemplated thereby except (a) those obtained or made prior to the date hereof and that are in full force and effect and (b) such as are permitted by the Subscription Agreement to be obtained or made after the closing of the Transactions.

5. The Subscription Agreement has been duly authorized, executed and delivered by the Company.

6. The Shares have been duly authorized by the Company and when the Shares are issued and sold in accordance with all applicable terms and conditions set forth in, and in the manner contemplated by, the Subscription Agreement (including payment in full of all consideration required therefor as prescribed under the Subscription Agreement), the Shares will be validly issued, fully paid and nonassessable.

7. The issuance by the Company of the Shares as of the date hereof is not subject to preemptive rights of any current stockholder of the Company arising by operation of the NRS or the Governing Documents.

The opinions expressed herein are based upon the Applicable Nevada Law in effect and the facts in existence as of the date of this opinion letter. In delivering this opinion letter to you, we assume no obligation, and we advise you that we shall make no effort, to update the opinions set forth herein, to conduct any inquiry into the continued accuracy of such opinions or to apprise

set forth herein, to conduct any inquiry into the continued accuracy of such opinions or to apprise

any addressee hereof or its counsel or assignees of any facts, matters, transactions, events or occurrences taking place, and of which we may acquire knowledge, after the date of this opinion letter, or of any change in any Applicable Nevada Law or any facts occurring after the date of this opinion letter, which may affect the opinions set forth herein. No opinions are offered or implied as to any matter, and no inference may be drawn, beyond the strict scope of the specific issues expressly addressed by the opinions set forth herein.

We understand that you have made such independent investigations of the facts as you have deemed necessary, and that the determination of the extent to which that investigation is necessary has been made independent of this opinion letter. This opinion letter is being delivered to you with the understanding that you have no knowledge of any incorrect statement or omission relating to the facts and opinions set forth herein.

This opinion letter is issued only to you in your capacity as Purchaser under the Subscription Agreement pursuant to Section 1.3.1 of the Subscription Agreement, is solely for your benefit in connection with the consummation of the closing of the Transactions, and may not be relied upon or used by you for any other purpose, or otherwise circulated or furnished to, or relied upon, quoted from or referred to by any other person, firm or entity for any purpose without our prior written consent in each instance.

Very truly yours,
[DRAFT]

Exhibit 31.1

CERTIFICATIONS UNDER
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Stephen S. Yoder, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Pieris Pharmaceuticals, Inc.;

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

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

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

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

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

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

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

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

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

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

Dated: May 17, 2021

/s/ Stephen S. Yoder

Stephen S. Yoder
Title: Chief Executive Officer and President (principal executive officer)

Exhibit 31.2

CERTIFICATIONS UNDER
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Thomas Bures, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Pieris Pharmaceuticals, Inc.;

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

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

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

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

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

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

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

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

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

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

Dated: May 17, 2021

/s/ Thomas Bures

Thomas Bures

Title: Vice President, Finance and Treasurer (principal financial officer and principal accounting officer)

Exhibit 32.1

CERTIFICATIONS UNDER SECTION 906

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Pieris Pharmaceuticals, Inc. (the "Company") hereby certifies, to his knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended March 31, 2021 (the "Report") 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

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

Dated: May 17, 2021

/s/ Stephen S. Yoder

Stephen S. Yoder

Title: Chief Executive Officer and President
(principal executive officer)

Exhibit 32.2

CERTIFICATIONS UNDER SECTION 906

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Pieris Pharmaceuticals, Inc. (the "Company") hereby certifies, to his knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended March 31, 2021 (the "Report") 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

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

Dated: May 17, 2021

/s/ Thomas Bures

Thomas Bures

Title: Vice President, Finance and Treasurer
(principal financial officer and principal accounting officer)