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

FORM 10-K

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

For the Fiscal Year Ended December 31, 2023

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: 001-38716

GAMIDA CELL LTD.
(Exact name of registrant as specified in its charter)

Israel	**Not Applicable**
(State or other jurisdiction of incorporation)	(IRS Employer Identification No.)
116 Huntington Avenue, 7th Floor Boston, MA	**02116**
(Address of principal executive offices)	(Zip code)

(617) 892-9080
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary Shares, NIS 0.01 par value	GMDA	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 of Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) 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 checkmark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of June 30, 2023 (the last day of the registrant's most recently completed second fiscal quarter) based on the closing sale price of $1.93 as reported on the Nasdaq Global Market as of that date was approximately $216.7 million.

The registrant had 154,050,953 ordinary shares outstanding as of March 22, 2024.

Documents incorporated by reference: None.

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FORWARD LOOKING STATEMENTS

- This annual report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve substantial risks and uncertainties. The forward-looking statements are contained principally in Part I, Item 1: "Business," Part I, Item 1A: "Risk Factors," and Part II, Item 7: "Management's Discussion and Analysis of Financial Condition and Results of Operations," but are also contained elsewhere in this annual report. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may", "will", "should", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict", "potential" or "continue", the negative of such terms or other comparable terminology. These statements speak only as of the date of this annual report and involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. Forward-looking statements in this annual report include statements as to:

- the progress and potential outcome of our ongoing restructuring process and voluntary restructuring proceeding;
- our estimates regarding the commercial potential of, and our commercialization plans for, our allogeneic cell therapy, Omisirge (omidubicel-only);
- the clinical utility and potential advantages of Omisirge and any product candidates;
- our estimates regarding recurring losses from operations, capital requirements and financial runway;
- our expectations regarding when certain patents may be issued and the protection and enforcement of our intellectual property rights;
- our ability to manufacture Omisirge and any product candidates at levels sufficient for commercialization or clinical development, as applicable;
- our ability to maintain and manage existing collaborations and relationships that are critical to our operations and to obtain and maintain appropriate terms with our current or future collaborators and other third parties;
- the impact of government laws and regulations;
- the impact of political, economic and military conditions in Israel, including the recent attack by Hamas and other terrorist organizations from the Gaza Strip and Israel's war against them; and
- the effects that other geopolitical events or macroeconomic conditions may have on us.

You should refer to "Item 1A. Risk Factors" in this annual report for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements in this annual report will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. The forward-looking statements in this annual report represent our views as of the date of this annual report. We anticipate that subsequent events and developments may cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this annual report.

You should read this annual report and the documents that we reference in this annual report and have filed as exhibits to this annual report completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

In this annual report, all references to (i) "Gamida," "Gamida Cell," "we," "us," "our" or the "Company" mean Gamida Cell Ltd. and its wholly owned subsidiary, Gamida Cell Inc., unless the context otherwise requires; (ii) "SEC" refers to the Securities and Exchange Commission; (iii) "Securities Act" refers to the United States Securities Act of 1933, as amended; (iv) "Exchange Act" refers to the United States Securities Exchange Act of 1934, as amended; and (v) all dollar amounts refer to U.S. dollars unless otherwise indicated.

PART I

ITEM 1. BUSINESS

Overview

We are a cell therapy pioneer working to turn cells into powerful therapeutics. We apply a proprietary expansion platform leveraging the properties of nicotinamide, or NAM, to allogeneic cell sources including umbilical cord blood-derived cells and natural killer, or NK, cells to create cell therapy candidates, with the potential to redefine standards of care. On April 17, 2023, the U.S. Food and Drug Administration, or FDA, approved Omisirge (omidubicel-onlv), the first and only FDA-approved nicotinamide modified cell therapy donor source for allogeneic stem cell transplant, for use in adult and pediatric patients 12 years and older with hematologic malignancies who are planned for umbilical cord blood transplantation following myeloablative conditioning to reduce the time to neutrophil recovery and the incidence of infection.

In the first quarter of 2023, we completed a strategic reprioritization of our business activities to reduce our operating expenses and focus on the commercial launch of Omisirge® (omidubicel-onlv). The results of this reprioritization were a reduction in force of approximately 17% of our workforce, completed in the second quarter of 2023, closure of our Jerusalem research and development facility and termination of work on our preclinical NAM NK pipeline programs. We undertook these reprioritization efforts after unsuccessfully seeking a strategic partnership or other transaction, such as a royalty financing, licensing, collaboration or other similar transaction. We first engaged Moelis & Company LLC in July 2020 to pursue a royalty financing or other similar transaction related to Omisirge. Most recently, in April 2023, we engaged Moelis & Company LLC as our financial advisor and commenced a strategic review process seeking to secure a transaction that would support expanded access to Omisirge for patients and maximize value for our stakeholders. During the course of this recent strategic review process, our board of directors explored a range of alternatives, including an asset sale, merger, financing, licensing, and capital restructuring options. To date, this strategic review process has not yielded any viable strategic alternatives.

As a result, on March 26, 2024, we entered into a Restructuring Support Agreement, or the Support Agreement, with certain funds managed by Highbridge Capital Management, LLC, or which funds we collectively refer to as Highbridge. These funds hold all of our exchangeable senior notes issued in 2021 and 2022, which together have an aggregate outstanding principal balance as of March 15, 2024 of approximately $80.0 million. These exchangeable senior notes represent substantially all of our outstanding debt. Pursuant to the Support Agreement, we and Highbridge have agreed to restructure all of our outstanding equity and debt in a voluntary restructuring proceeding in the District Court of Beersheba, Israel that is governed by Israeli law, referred to as our restructuring process. If this process is completed as contemplated by the Support Agreement, all outstanding shares of Gamida Cell Ltd. will be cancelled, after which Gamida Cell Ltd. will continue to exist as a private operating company that is owned entirely by Highbridge and our business will continue as a going concern with Highbridge being the only impaired creditor. Pursuant to the Support Agreement, each holder of ordinary shares of the Company as of the completion of the restructuring process will be entitled to certain CVRs pursuant to a contingent value rights agreement, or the CVR Agreement, to be executed in connection with the restructuring process. When issued, the CVRs will entitle the holders to certain cash payments totaling $27.5 million upon the achievement of certain revenue and regulatory milestones as will be more fully set forth in the CVR Agreement. Pursuant to the Support Agreement, Highbridge will fund the reorganized company following the restructuring process through a secured debt facility of $50 million, comprised of (i) $30 million of cash to be provided as soon as practicable following the completion of the restructuring process; (ii) the remaining principal amount owed under the 2022 Notes; and (iii) the remaining approximately $15 million to be provided by way of delayed draw term loans on terms and conditions to be agreed with Highbridge prior to the completion of the restructuring process. After our restructuring process, we will no longer be a public reporting company listed on Nasdaq. Except for the CVRs, we do not anticipate that our shareholders will otherwise receive any distribution or recovery (cash or otherwise) as part of the restructuring process. There is no assurance that we will complete our restructuring process as currently contemplated. If we are unable to complete our restructuring process in the second quarter of 2024, we expect that we will enter into involuntary restructuring proceedings in Israeli court and our shareholders would not receive any proceeds from such proceedings.

In connection with our restructuring process and in order to attempt to extend our financial resources beyond the second quarter of 2024, we are planning to further reduce operating expenses, primarily through a workforce reduction plan pursuant to which we expect to downsize our current workforce by approximately 25% by the closing of the restructuring process. Affected employees will be offered separation benefits, including severance payments and temporary healthcare coverage assistance, which severance payments are required under applicable Israeli law. Each affected employee's eligibility for the separation benefits is contingent upon such employee's execution of a separation agreement that includes a general release of claims against us. We estimate that the severance and termination-related costs will be approximately $1.8 million, and we expect to record these charges in the second quarter of 2024. Our remaining employees will continue to support the commercialization of Omisirge and complete our restructuring process. The costs that we expect to incur in connection with our restructuring process, including the workforce reduction, are subject to a number of assumptions, and actual results may differ materially from these expectations. We may incur additional costs not currently contemplated due to events that may occur as a result of, or that are associated with, our restructuring process and the workforce reduction plan. See "Item 1A: Risk Factors – Risks Related to Our Financial Position and Restructuring Process" for additional information.

Cell therapies involve the delivery of human cells to replace or repair damaged tissue or cells in order to treat a variety of cancers and other diseases. Hematopoietic stem cell transplantation with donor cells, or allogeneic HSCT, also called bone marrow transplantation, is the most frequently used cell therapy to treat a variety of hematologic malignancies and other serious conditions. HSCT involves reconstituting a patient's bone marrow from a population of stem and progenitor cells obtained from a donor whose blood-forming and immune-system-forming cells are effective at carrying out their functions.

There are multiple sources of donor cells. The best source for donor cells is often viewed as a sibling who is a matched related donor, or MRD, but the chances of having a sibling match in the United States are only 25% to 30%. The majority of patients rely on alternate sources of donor cells, including matched unrelated donor, or MUD, haploidentical, or "half-matched" donors, and mismatched unrelated donor, or MMUD, as well as umbilical cord blood. However, due to the need for genetic matching between the patient and the donor, and the potential for disease progression and other complications during the time needed to find a suitable donor, many patients cannot find an appropriate donor.

According to the Center for International Blood and Marrow Transplant Research, in the United States, there are approximately 8,000 patients above the age of 12 with hematologic malignancies who undergo an allogeneic stem cell transplant each year, and we believe that number of patients may grow over time. We estimate that there are approximately 1,700 patients each year, who are above the age of 12 and are deemed eligible for an allogeneic stem cell transplant but cannot find an appropriate donor.

We believe the commercial potential for Omisirge consists of two key opportunities: potentially improving outcomes for patients, and potentially increasing access for patients who are currently eligible for transplant and cannot find an appropriate donor. In 2023, six units of Omisirge were delivered for patients. We estimate that in 2028 approximately 10,000 patients who are ages 12 and above with hematologic malignancies will be eligible for transplant and that Omisirge could be the treatment of choice for approximately 10% of this population, based on our current launch trajectory.

Our Strategy

Our goal is to deliver curative cell therapies to patients with serious and life-threatening medical conditions. The key strategies to achieve our goal are the following:

Commercialization of Omisirge in the United States. Our strategy is to ensure Omisirge is made available to appropriate patients, including by initially launching Omisirge ourselves in the United States. We have conducted market insight studies to understand the unmet needs that Omisirge can potentially address. Based on our current launch trajectory, Omisirge has the potential to treat approximately 1,000 patients each year at peak market share, which would be approximately 10% of the addressable U.S. patient population.

Commencement of restructuring process. In 2023, we completed a strategic reprioritization of our pipeline to focus our financial resources on supporting the commercialization of Omisirge, reengaged Moelis & Company LLC as our financial advisor, and commenced a strategic review process seeking to secure a transaction that would support expanded access to Omisirge for patients and maximize value for our stakeholders. To date, this strategic review process has not yielded any viable strategic alternatives. As a result, we entered into the Support Agreement with Highbridge to restructure all of our outstanding equity and debt in a voluntary restructuring proceeding in Israel, and we continue to reduce our operating expenses as we complete our restructuring process in order to maximize value for our stakeholders.

NAM Cell Expansion Technology

While cell-based therapies have the potential to address a variety of medical conditions, one of the key technical challenges for developing treatments with this approach is the expansion of therapeutically functional cells. In order for cell therapies to be clinically effective, there must be a sufficient quantity of therapeutically active cells for treatment, which requires the donor cells to be expanded in cell culture. While this may increase the number of cells, the functionality of those cells often diverges from the therapeutic functionality of the original donor cells. This shortcoming in the cells used for treatment can result in suboptimal clinical outcomes.

Our NAM cell expansion technology is designed to address this challenge by leveraging the biochemical properties of the small molecule nicotinamide in our manufacturing process. We expand and enhance the number of donor cells while maintaining their functional therapeutic characteristics through the proprietary combination of NAM, intended to maintain silencing of cell differentiation and preservation of gene expression, and particular cytokines which promote cell growth. Our optimized manufacturing process results in robust and replicable batch production, enabling the generation of standardized donor-derived cell products, potentially resulting in better clinical outcomes.

We have presented research describing the mechanism of action for the role of NAM in expanding CD34+ stem cells. The research included transcriptome, transcription factor, and pathway analysis to elucidate the factors that lead to the preservation of engraftment after ex vivo expansion of CD34+ hematopoietic stem cells derived from umbilical cord blood (the starting point for Omisirge) compared to CD34+ cells grown in the absence of NAM. Analyses showed that the presence of NAM reduced the expression of genes involved in the production of reactive oxygen and nitrogen species, suggesting that cell stress was minimized during expansion. In addition, NAM also decreased growth factor of pathways responsible for activation and differentiation of hematopoietic stem cells, suggesting NAM expanded cells while keeping them in an undifferentiated state. The presence of NAM also led to a decrease in the expression of genes responsible for matrix metalloproteinase secretion, simulating the microenvironment of the bone marrow. Additionally, NAM led to an increased expression of telomerase genes, which is believed to enable cells to remain in a more quiescent, stem-like state. These data provide further scientific rationale for the favorable stem cell engraftment and patient outcomes that were observed in the Phase 3 clinical study of Omisirge.

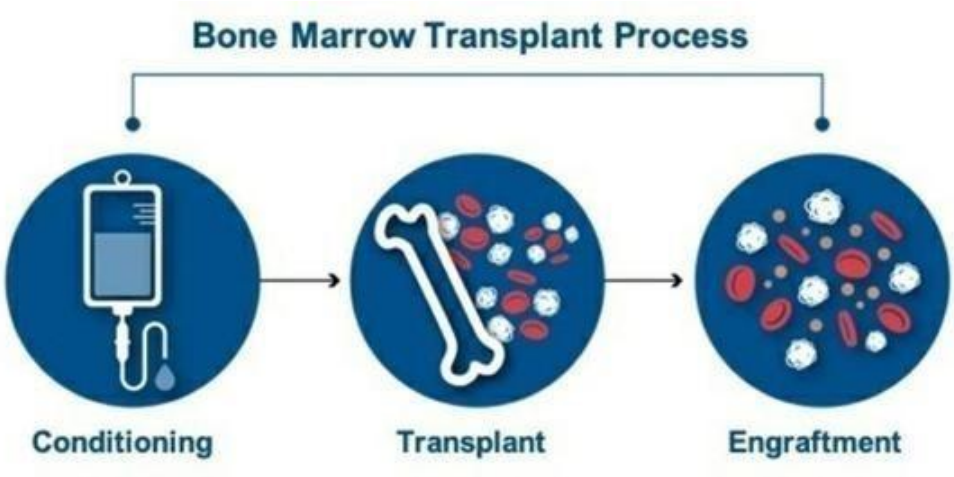
Hematologic Malignancies and Allogeneic HSCT

Overview

Hematologic malignancies are characterized by an abnormal and excessive proliferation of malignant blood cells that replace normal blood cells in the bone marrow and the circulation. In some patients, these cancerous cells proliferate rapidly, requiring urgent treatment. Patients are initially treated with chemotherapy in order to destroy the malignant cells in a rapid manner. However, in most patients, remission is temporary and the disease will return after initial treatment. One of the most effective treatment options for these patients is hematopoietic stem cell transplantation, or HSCT, where the blood-forming cells in the patient are destroyed using chemotherapy, radiation or a combination of both. These patients then receive new bone marrow stem cells from a healthy donor.

Allogeneic HSCT is the transplantation of hematopoietic stem cells, derived from a donor’s bone marrow or peripheral blood, or standard umbilical cord blood. HSCT involves reconstituting a person’s entire blood and bone marrow from a seed population of cells. In some clinical settings, autologous HSCT may be performed, in which cells are derived from the patient and reinfused at a later date. In leukemia and other hematologic malignancies, it is more appropriate to use allogeneic HSCT obtained from a donor, which ensures that the graft does not contain the patient’s malignant cells and leverages the ability of donor cells to fight against a patient’s cancer, which is known as the “graft versus leukemia” effect.

In HSCT, a patient is treated with chemotherapy and/or radiation to destroy the residual cancerous or defective cells that reside in the bone marrow. This procedure, called myeloablation, also destroys the hematopoietic stem cells that are responsible for forming red blood cells, platelets and white blood cells. Stem cells from a donor are then infused into a patient, migrate and home to the bone marrow and begin to proliferate and differentiate into various types of blood cells, eventually leading to a full reconstitution of the bone marrow and immune system.



HSCT is a potentially curative treatment for many refractory and high-risk hematologic malignancies that would otherwise be fatal with conventional therapies. As of 2019, an estimated 600,000 allogeneic HSCT procedures will have been performed worldwide over the past 50 years. In 2016, more than 38,000 such procedures were performed worldwide, and in 2020, more than 8,000 were performed in the United States. From 2010 to 2019, the number of patients receiving an allogeneic HSCT procedure increased by approximately 3% per year in the United States due to multiple factors, including an aging population and new transplant modalities. Approximately 90% of HSCT procedures performed in the United States are for patients with various hematologic malignancies.

Approximately 90% of HSCT procedures performed in the United States are for patients with various hematologic malignancies. Although the number of allogeneic HSCT procedures performed is growing and there are new modalities for the procedure, HSCT continues to have a number of limitations. There are two major areas of unmet need. First, of those who receive a transplant, there is concomitant morbidity and mortality associated with the treatment. Second, a significant number of patients who are candidates for transplant do not receive one in a timely fashion. We believe that Omisirge can address these significant limitations.

Current Sources of Donor Cells for Allogeneic HSCT

There are multiple potential sources of donor cells for transplants. For each donor, there are various baseline requirements including age and overall health. In general, younger donors produce more and better cells for HSCT than older donors. Donor matching is determined by human leukocyte antigens, or HLA, which are proteins present on most cells and inherited genetically. HLA are recognized by the immune system, and “foreign” or nonmatching HLA may be rejected. Therefore, matching of HLA between bone marrow donor and recipient is needed for a successful transplant outcome.

The best source of donor cells is often viewed as a matched sibling of appropriate age and health, but the chances of having a sibling match are only 25% to 30%. An alternate source of donor cells is a MUD, but non-Caucasian patients have a lower likelihood of finding a MUD. There is ethnic and racial disparity in access to HSCT. Data from 2018 indicate that white patients of European descent are approximately four times more likely to receive a transplant than Black patients. The ability to find a match through this process is particularly challenging for individuals of ethnic backgrounds that are not well-represented in donor databases. Furthermore, it takes approximately two to three months on average to identify an appropriate MUD who is medically suitable and willing to donate. During this lengthy time period, there is a risk of disease recurrence. Over time, the patient may also become ineligible due to other health complications. Moreover, prolonged donor searches heighten anxiety for patients and their families.

If a matched donor cell source is not identified, there are three alternatives for transplant candidates: mismatched unrelated donor, or MMUD, haploidentical donors and umbilical cord donors. Haploidentical, or "half-matched" donors, and MMUD are only partially compatible with the recipient. Because of the immune incompatibility in transplants from such donors, there is a high risk of GvHD, infection and other complications.

Alternatively, donor cells can be obtained from umbilical cord blood. In contrast to adult graft sources, which require a greater degree of matching, matching requirements for cord blood are less stringent than those from unrelated donors, leading to a greater probability for finding a match: 96% for Caucasians of European descent, 81% for Black patients, and 82-91% of other minorities. This obviates the need to go through a prolonged search process with uncertain outcomes in order to find a donor and arrange for the collection of donor cells. Because the donor T cells in cord blood are naïve, meaning that they have not matured, they readily adapt to the recipient and are associated with a low risk of a patient developing GvHD, in particular chronic GvHD. Furthermore, transplantation with cord blood reduces the risk of potential transmission of an infection from an adult donor.

Limitations of Allogeneic HSCT

There are three critical limitations to successful HSCT:

delays in finding a suitable match, during which disease progression may make patients ineligible for a transplant;

insufficient number or delayed engraftment of donor cells, leaving patients without a functioning immune system and leading to potentially life-threatening immune deficiency following transplant; and

lack of long-term compatibility between the donor cells and the patient's own cells, resulting in potentially fatal GvHD.

Omisirge is Designed to Address the Limitations of Current Donor Sources for HSCT

In addition to the general limitations of HSCT, the low number of hematopoietic cells in standard umbilical cord blood is a major clinical constraint. With standard umbilical cord blood, the small number of stem cells infused leads to a prolonged time to engraftment, the process by which donor stem cells home to the bone marrow, differentiate, and repopulate the recipient's blood cells. Longer time to engraftment is associated with a higher rate of post-transplant complications, longer hospitalization time, and an increase in transplant-related mortality. Omisirge is designed to address the limitations of current donor sources used for allogeneic HSCT because it expands the number of donor cord blood stem cells while maintaining the cells' functional therapeutic characteristics. The Omisirge manufacturing process also enhances cell functionality.

Omisirge consists of two fractions of a unit of cord blood separated based on the expression of a marker on the surface of individual cells known as CD133. A cell's CD133 status reflects its "stem cell" properties. Those cells that express CD133 represent a pool of stem or progenitor cells, cells that are capable of generating blood cells that can differentiate into a variety of cell subtypes. The CD133-positive stem or progenitor cells are also capable of reproducing themselves. Once the cells bearing this marker, are isolated, they are cultured using the proprietary NAM technology platform to expand their number while maintaining their regenerative properties. After approximately three weeks, the cells are harvested and cryopreserved.

Those cells that do not express CD133 represent other types of more mature, differentiated cells, including essential components of the immune system such as T cells. These mature cells cannot engraft but can provide immunological support until T cells derived from the stem cell graft recover. The CD133-negative cells are also cryopreserved and retained for use as the second component of omidubicel. The two components collectively are known as "omidubicel," as approved by the United States Adopted Names Council (USAN).

Omisirge, the brand name for omidubicel, is shipped cryogenically to transplant centers where both components are thawed and infused to patients on the day of transplantation. The thawing process occurs in a closed system and can also be performed at the patient's bedside for ease of administration. The cryopreserved product resulted in engraftment results similar to those obtained with non-cryopreserved product in a Phase 1 pilot study at Duke University.

Omisirge is a stem cell graft with less stringent matching requirements than conventional HSCT, intended to reduce problems with donor matching. If approved, this will provide an option for the patients who currently have lengthy searches to find a suitable match and may never receive one, thereby creating an opportunity to improve outcomes and access to HSCT for such patients.

Omisirge is designed to deliver a therapeutic dose of stem cells that may lead to rapid engraftment and immune reconstitution.

Omisirge provides a compatible graft, observed to reduce morbidities including GvHD and infections.

Given these characteristics, Omisirge may serve as a new alternative to existing graft modalities as well as expand the transplant market for those who are unable to find a match.

Omisirge has Breakthrough Therapy Designation from the FDA. Additionally, Omisirge received orphan drug designation from both the FDA and from the European Commission for the indication haematopoietic stem cell transplantation. On April 17, 2023, Omisirge received FDA approval for use in adult and pediatric patients 12 years and older with hematologic malignancies planned for umbilical cord blood transplantation following myeloablative conditioning.

Omisirge for the Treatment of Bone Marrow Failure Disorders

In addition to hematologic malignancies, we have pursued the development of Omisirge for the treatment of severe aplastic anemia and other bone marrow failure disorders. Severe aplastic anemia is a rare disease, with an estimated incidence in the United States of 600-900 patients per year.

Underlying causes include autoimmune disease, certain medications or toxic substances, and inherited conditions. However, the cause is unknown in approximately half of all cases of severe aplastic anemia. The disease is characterized by stem cells in the bone marrow that are damaged and unable to produce enough new blood cells. This leads to extremely low blood cell counts and platelet levels, and often requires patients to be immediately hospitalized for treatment.

Allogeneic HSCT is the treatment of choice for patients with severe aplastic anemia who have an available matched sibling donor. Among the 2,471 patients with severe aplastic anemia receiving HSCT with a matched sibling donor between 2005 and 2015, the three-year probability of survival was 91% for those younger than 18 years, and 78% for patients 18 years of age or older. Among the 1,751 recipients of HSCT with a MUD during the same period, the probabilities of survival were 78% and 68% for severe aplastic anemia patients under 18 years and greater than or equal to 18 years, respectively. We believe Omisirge may be able to provide a treatment option for those patients who are unable to locate such a donor in time.

The goal in treating these diseases is to replace defective bone marrow cells with cells derived from cord blood donors. Omisirge was evaluated in a Phase 1/2 NIH-sponsored clinical trial. In this trial, Omisirge was administered in combination with a reduced conditioning preparative protocol, which is designed to minimize toxicity, in up to 62 patients with severe aplastic anemia or hypoplastic myelodysplastic syndrome, another bone marrow failure disease. This research protocol was designed to evaluate the safety and effectiveness of transplantation with Omisirge to overcome the high incidence of graft rejection associated with standard cord blood HSCT in severe aplastic anemia patients, where graft rejection occurs in up to 50% of subjects. In December 2020, we reported updated and expanded data at the Annual Meeting of ASH that demonstrated that patients with severe aplastic anemia treated with Omisirge achieved sustained early engraftment.

Omisirge for the Treatment of Non-Malignant Disorders

Omisirge has also been tested in patients with sickle cell disease, or SCD, for which HSCT is currently the only clinically established cure. The results of our Phase 1/2 clinical trial were published in *Blood*. Overall, 16 patients with severe SCD were treated, 13 patients with Omisirge in conjunction with a standard unit of cord blood, and three patients with standalone Omisirge. All patients initially engrafted at a median of seven days for double cord and eight days for single cord. Two of the patients died, one due to chronic GvHD and the other due to secondary graft failure. The rate of grades II-IV acute GvHD was 69%, and the rate of grades III-IV acute GvHD was 23%. The engraftment results were favorable when compared to those from a study of 29 patients with SCD who underwent HSCT with cells from a MUD donor. In that study, 27 of the patients had neutrophil engraftment, and the median time to engraftment was 12 days. There were eight deaths, seven due to GvHD and one due to graft rejection; 19 of 29 were disease-free at two years. While the clinical study in patients with SCD is currently closed, we continue to believe that Omisirge has potential to replace other allogeneic HSCT procedures in certain hematologic diseases and some metabolic disorders.

Competition

The biotechnology and pharmaceutical industries are characterized by rapidly advancing technologies, intense competition and a strong emphasis on proprietary products. While we believe that our technology platform, development experience and scientific knowledge provide us with competitive advantages, we face potential competition from many different sources, including major pharmaceutical, specialty pharmaceutical and biotechnology companies, academic institutions and governmental agencies and public and private research institutions. Any product candidates that we successfully develop and commercialize will compete with existing therapies and new therapies that may become available in the future.

We anticipate intensifying competition in the field of cell therapies as new therapies are approved and advanced technologies become available.

Many of our competitors will have substantially greater financial, technical and human resources. Competitors may also have more experience developing, obtaining approval for, and marketing novel treatments in the indications we are pursuing. These factors could give our competitors an advantage over us in recruiting and retaining qualified personnel, completing clinical development, and commercializing their products. Competitors that are able to obtain FDA or other regulatory approval for their products more rapidly than we can for our products may also establish a stronger market position, diminishing our commercial opportunity. Key considerations that would impact our capacity to effectively compete include the efficacy, safety, ease of use, as well as pricing and reimbursement of our products.

There are several clinical-stage development programs that seek to improve human umbilical cord blood transplantation through the use of an allogeneic HSCT graft. Companies active in this area include, but are not limited to: ExCellThera, Garuda Therapeutics and Bellicum Pharmaceuticals.

Manufacturing

Omisirge is currently manufactured at our Kiryat Gat, Israel facility using a scalable process with well-defined unit operations. This highly specialized and precisely controlled manufacturing process enables us to manufacture product candidates reproducibly and efficiently for clinical and commercial applications. In the fourth quarter of 2022, the Israeli Ministry of Health and the FDA completed physical inspections of our Kiryat Gat facility which, to date, has resulted in no FDA 483 observations. We have commercially manufactured Omisirge for sale in the United States at our Kiryat Gat, Israel manufacturing facility since August 2023.

We currently rely on third-party clinical cell processing facilities and contract manufacturers for all our required raw materials, active ingredients and finished products for our clinical trial, and, we currently rely on third parties for supply of our required raw materials and active ingredients for Omisirge.

Marketing, Sales and Distribution

Our strategy is to ensure Omisirge is made available to appropriate patients. The commercial launch of Omisirge in the United States, which was highly focused due to our limited financial runway and available cash balance, has resulted in a slow ramp of sales. We have conducted market insight studies to understand the unmet needs that Omisirge can potentially address. Based on the current launch trajectory, we anticipate that Omisirge has the potential to treat approximately1,000 patients, or 10% of the addressable stem cell transplant market annually at peak market share.

Intellectual Property

We strive to protect and enhance the proprietary technologies, inventions, products and product candidates, methods of manufacture, methods of using our products and product candidates, and improvements thereof that are commercially important to our business. We protect our proprietary intellectual property by, among other things, filing patent applications in the United States and in jurisdictions outside of the United States covering our proprietary technologies, inventions, products and product candidates, methods, and improvements that are important to the development and implementation of our business.

As of December 31, 2023, we own 28 issued patents and 56 pending patent applications worldwide, including eight U.S. issued patents, six pending U.S. non-provisional patent applications and three pending PCT applications.

We own four issued patents in the United States and eight issued foreign patents related to Omisirge. The patents that we own outside of the United States are granted in Australia, Europe, Israel, Japan, Singapore, and South Africa. In addition, we own two pending U.S. non-provisional patent applications and 14 pending foreign patent applications related to Omisirge. These patents and pending patent applications contain composition-of-matter claims to Omisirge, and claims to methods of producing and methods of treatment using Omisirge. Not accounting for any patent term adjustment, regulatory extension or terminal disclaimers, and assuming that all annuity and/or maintenance fees are paid timely, these patents, and if granted, these patent applications, will expire from 2024 to 2038. In particular, taking into account patent term adjustment, but not regulatory extension, U.S. Patent No. 7,955,852, which relates to methods of expanding a population of hematopoietic stem cells by culturing the cells with nicotinamide or nicotinamide analogs, expires in 2024, assuming that all annuity and/or maintenance fees are paid timely. U.S. Patent No. 8,846,393, EP Patent No. 1974012, JP Patent No. 5102773 and IL Patent No. 191669, which relate to methods of enhancing cell homing and engraftment potential of hematopoietic stem cells by expansion in the presence of nicotinamide, expire in 2026, not accounting for any patent term adjustment, regulatory extension or terminal disclaimers, and assuming that all annuity and/or maintenance fees are paid timely. U.S. Patent No. 11,746,325, which relates to methods of treating a hematological disease using cells that were obtained from umbilical cord blood and cultured using nicotinamide, expires in 2037, not accounting for any patent term adjustment, regulatory extension or terminal disclaimers, and assuming that all annuity and/or maintenance fees are paid timely. U.S. Patent No. 11,730,771, and JP Patent No. 7295810, which relate to methods of preparing an umbilical cord blood unit for transplantation by culturing cells from the unit in nicotinamide, expire in 2038, not accounting for any patent term adjustment, regulatory extension or terminal disclaimers, and assuming that all annuity and/or maintenance fees are paid timely.

We own one issued patent in the United States and 12 issued foreign patents related to GDA-201. The patents that we own outside of the United States are granted in Australia, China, Canada, Europe, Hong Kong, Israel, and Japan. In addition, we own four pending U.S. non-provisional patent applications, one pending PCT patent application and 33 pending foreign patent applications related to our GDA-201 product candidate. These patents and pending patent applications contain composition-of-matter claims to our GDA-201 product candidate, and claims to methods of producing and methods of treatment using our GDA-201 product candidate. Not accounting for any patent term adjustment, regulatory extension or terminal disclaimers, and assuming that all annuity and/or maintenance fees are paid timely, these patents, and if granted, the U.S. non-provisional patent applications and foreign patent applications, will expire from 2030 to 2040, and patents, and if granted, patent applications claiming priority to the PCT application will expire in 2042. In particular, EP Patent No. 2519239, EP Patent No. 3184109, JP Patent No. 5943843, JP Patent No. 6215394, IL Patent No. 220660, IL Patent No. 259642, CA Patent No. 2,785,627 and CN Patent No. ZL201710426660.X, which relate to methods of expanding a population of natural killer cells by culturing the cells with nicotinamide or nicotinamide analogs, and transplantable cell populations produced by these methods, expire in 2030, not accounting for any patent term adjustment, regulatory extension or terminal disclaimers, and assuming that all annuity and/or maintenance fees are paid timely. U.S. Patent No. 11,834,677 and JP Patent No. 7,239,567, which relate to methods of preparing NK cells for transplantation by culturing the cells with nicotinamide, expire in 2038, not accounting for any patent term adjustment, regulatory extension or terminal disclaimers, and assuming that all annuity and/or maintenance fees are paid timely.

We own one PCT application related to GDA-301 and GDA-601. This pending PCT application contains composition-of-matter claims to our GDA-301 and GDA-601 product candidates, and claims to methods of producing and methods of treatment using our GDA-301 and GDA-601 product candidates. Not accounting for any patent term adjustment, regulatory extension or terminal disclaimers, and assuming that all annuity and/or maintenance fees are paid timely, patent applications claiming priority to this U.S. PCT, if granted, would expire in 2042.

We own two PCT applications related to GDA-501. These PCT applications contain composition-of-matter claims to our GDA-501 product candidate, and claims to methods of producing and methods of treatment using our GDA-501 product candidate. Not accounting for any patent term adjustment, regulatory extension or terminal disclaimers, and assuming that all annuity and/or maintenance fees are paid timely, patent applications claiming priority to these PCT applications, if granted, would expire in 2042.

In addition, we filed for and obtained trademark registration in the China, Europe, Hong Kong, Mexico, Canada, Brazil, Russian Federation, Israel, Great Britain and WIPO (International) for “Gamida Cell”, and in Israel for “Symrepliq”, “Gamida-Cell Assist”, “Nampluri”, “Namrepli”, “Namtypic”, “Omisirge” and “Omplusto”. We also rely upon trade secrets, know-how and continuing technological innovation to develop, strengthen and maintain our competitive position.

The term of individual patents depends upon the legal term for patents in the countries in which they are obtained. In most countries in which we have filed, including the United States, the patent term is 20 years from the earliest filing date of a non-provisional patent application. In the United States, a patent’s term may be lengthened by patent term adjustment, which compensates a patentee for administrative delays by the USPTO in examining and granting a patent or may be shortened if a patent is terminally disclaimed over an earlier filed patent. The term of a patent that covers a drug or biological product may also be eligible for patent term extension when FDA approval is granted for a portion of the term effectively lost as a result of the FDA regulatory review period, subject to certain limitations and provided statutory and regulatory requirements are met. Any such patent term extension can be for no more than five years, only one patent per approved product can be extended, the extension cannot extend the total patent term beyond 14 years from approval, and only those claims covering the approved drug, a method for using it or a method for manufacturing it may be extended. We may not receive an extension if we fail to exercise due diligence during the testing phase or regulatory review process, fail to apply within applicable deadlines, fail to apply prior to expiration of relevant patents or otherwise fail to satisfy applicable requirements. Moreover, the length of the extension could be less than we request. We expect to apply for applicable patent term extensions on issued patents we may obtain in the future covering our product. There can be no assurance that any of our pending patent applications will issue or that we will benefit from any patent term extension or favorable adjustment to the term of any of our patents.

Provisional patent applications are not eligible to become issued patents until, among other things, we file a non-provisional patent application within 12 months of filing of one or more of our related provisional patent applications. If we do not timely file any non-provisional patent applications, we may lose our priority date with respect to our provisional patent applications and any patent protection on the inventions disclosed in our provisional patent applications.

As with other biotechnology and pharmaceutical companies, our ability to establish and maintain our proprietary and intellectual property position for our product will depend on our success in obtaining effective patent claims and enforcing those claims if granted. There can be no assurance that any of our current or future patent applications will result in the issuance of patents or that any of our current or future issued patents will provide any meaningful protection of our product or technology. For more information regarding the risks related to our intellectual property, see "Item 1A: Risk Factors-Risks Related to Our Intellectual Property."

Research Grants

Grants under the Innovation Law

Under the Encouragement of Research, Development and Technological Innovation in the Industry Law 5744-1984, and the provisions of the applicable regulations, rules, procedures and benefit tracks, collectively referred to as the Innovation Law, research and development programs that meet specified criteria and are approved by a committee of the IIA are eligible for grants. The grants awarded are typically up to 50% of the project's expenditures, as determined by the research committee and subject to the benefit track under which the grant was awarded. A company that receives a grant from the IIA, or a grant recipient, is typically required to pay royalties to the IIA on income generated from products incorporating know-how developed using such grants (including income derived from services associated with such products), until 100% of the U.S. dollars linked grant plus annual interest is repaid. The rate of royalties to be paid may vary between different benefits tracks, as shall be determined by the IIA. Under the regular benefits tracks the rate of royalties varies from 3% to 3.5% of the income generated from the IIA-supported products. The obligation to pay royalties is contingent on actual income generated from such products and services. In the absence of such income, no payment of such royalties is required.

The terms of the grants under the Innovation Law also generally require that the products developed as part of the programs under which the grants were given be manufactured in Israel and that the know-how developed thereunder may not be transferred outside of Israel, unless a prior written approval is received from the IIA (such approval is not required for the transfer of a portion of the manufacturing capacity which does not exceed, in the aggregate, 10% of the portion declared to be manufactured outside of Israel in the applications for funding, in which case only notification is required) and additional payments are required to be made to the IIA. It should be noted that this does not restrict the export of products that incorporate the funded know-how. See "Item 1A: Risk Factors-Risks Related to Israeli Law and Our Operations in Israel" for additional information.

Since our incorporation, we have received grants from the IIA relating to various projects. We were members of Bereshit Consortium, sponsored by IIA in which certain of our technologies were developed, such program does not require payments of royalties to the IIA, but all other restrictions under the Innovation Law, such as local manufacturing obligations and know-how transfer limitations, as further detailed hereunder, are applicable to the know how developed by us with the funding received in such consortium program. As of December 31, 2023, we had accrued royalties of $61 thousand, which were paid to the IIA in the first quarter of 2024. As of December 31, 2023, we have received $37.1 million in grants from the IIA, of which $2.6 million is non-royalty bearing grants. Our total outstanding obligation to the IIA, through December 31, 2023, amounts to approximately $43.7 million of which $9.3 million is interest accrued.

Government Regulation in the U.S.

The FDA and other regulatory authorities at federal, state, and local levels, as well as in non-U.S. countries, extensively regulate, among other things, the research, development, testing, manufacture, quality control, import, export, safety, effectiveness, labeling, packaging, storage, distribution, record keeping, approval, advertising, promotion, marketing, post-approval monitoring, and post-approval reporting of biologics such as Omisirge.

The process required by the FDA before biologic product candidates may be marketed in the United States generally involves the following:

completion of preclinical laboratory tests and animal studies performed in accordance with the FDA's Good Laboratory Practices, or GLP, regulation;

submission to the FDA of an IND, which must become effective before clinical trials may begin and must be updated annually or when significant changes are made;

approval by an independent Institutional Review Board, or IRB, or a positive Ethics Committee opinion at each clinical site before the trial is commenced;

performance of adequate and well-controlled human clinical trials to establish the safety, purity and potency of the proposed biologic product candidate for its intended purpose;

preparation of and submission to the FDA of a Biologics License Application, or BLA, after completion of all pivotal clinical trials;

a determination by the FDA within 60 days of its receipt of a BLA to file the application for review; satisfactory completion of an FDA Advisory Committee review, if applicable;

satisfactory completion of an FDA pre-approval inspection of the manufacturing facility or facilities at which the proposed product is produced to assess compliance with current Good Manufacturing Practices, or cGMP, and to assure that the facilities, methods and controls are adequate to preserve the biological product's continued safety, purity and potency, and of selected clinical investigation sites to assess compliance with Good Clinical Practices, or GCP; and

FDA review and approval of the BLA to permit commercial marketing of the product for particular indications for use in the United States.

Clinical Development

For purposes of BLA approval, human clinical trials are typically conducted in three sequential phases that may overlap.

Phase 1: The investigational product is initially introduced into patients with the target disease or condition. These studies are designed to test the safety, dosage tolerance, absorption, metabolism and distribution of the investigational product in humans, the side effects associated with increasing doses, and, if possible, to gain early evidence on effectiveness.

Phase 2: The investigational product is administered to a limited patient population with a specified disease or condition to evaluate the preliminary efficacy, optimal dosages and dosing schedule and to identify possible adverse side effects and safety risks. Multiple Phase 2 clinical trials may be conducted to obtain information prior to beginning larger and more expensive Phase 3 clinical trials.

Phase 3: The investigational product is administered to an expanded patient population to further evaluate dosage, to provide statistically significant evidence of clinical efficacy and to further test for safety, generally at multiple geographically dispersed clinical trial sites. These clinical trials are intended to establish the overall risk/benefit ratio of the investigational product and to provide an adequate basis for product approval.

In some cases, the FDA may require, or companies may voluntarily pursue, additional clinical trials after a product is approved to gain more information about the product. These so- called Phase 4 studies may be made a condition to approval of the BLA. In addition, the FDA may require post-marketing commitments following approval. Concurrent with clinical trials, companies may complete additional animal studies and develop additional information about the biological characteristics of the product candidate, and must finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other things, must develop methods for testing the identity, strength, quality and purity of the final product, or for biologics, the safety, purity and potency. Compliance with Good Tissue Practices, or GTPs, is also required to the extent applicable. These are FDA regulations and guidance documents that govern the methods used in, and the facilities and controls used for, the manufacture of human cells, tissues, and cellular and tissue based products, or HCT/Ps, which are human cells or tissue intended for implantation, transplant, infusion, or transfer into a human recipient. The primary intent of the GTP requirements is to ensure that cell and tissue based products are manufactured in a manner designed to prevent the introduction, transmission and spread of communicable disease. Good Tissue Practices regulations also require tissue establishments to register and list their HCT/Ps with the FDA and when applicable, to evaluate donors through screening and testing. Additionally, appropriate packaging must be selected and tested and stability studies must be conducted to demonstrate that the product candidate does not undergo unacceptable deterioration over its shelf life.

BLA Submission and Review

Assuming successful completion of all required testing in accordance with all applicable regulatory requirements, the results of product development, nonclinical studies and clinical trials are submitted to the FDA as part of a BLA requesting approval to market the product for one or more indications. The BLA must include all relevant data available from pertinent preclinical and clinical studies, including negative or ambiguous results as well as positive findings, together with detailed information relating to the product's chemistry, manufacturing, controls, and propose labeling, among other things. The submission of a BLA requires payment of a substantial application user fee to FDA, unless a waiver or exemption applies.

Once a BLA has been submitted, the FDA's goal is to review standard applications within ten months after it accepts the application for filing, or, if the application qualifies for priority review, six months after the FDA accepts the application for filing. The FDA may issue a refusal-to-file letter if the BLA is not sufficiently complete to permit substantive review. In both standard and priority reviews, the review process is often significantly extended by FDA requests for additional information or clarification. The FDA reviews a BLA to determine among other things, whether a product is safe, pure and potent and the facility in which it is manufactured, processed, packed, or held meets standards designed to assure the product's continued safety, purity and potency. The FDA may convene an advisory committee to provide clinical insight on application review questions. Before approving a BLA, the FDA will typically inspect the facility or facilities where the product is manufactured. The FDA will not approve an application unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. Additionally, before approving a BLA, the FDA will typically inspect one or more clinical sites to assure compliance with GCP. If the FDA determines that the application, manufacturing process or manufacturing facilities are not acceptable, it will outline the deficiencies in the submission and often will request additional testing or information. Notwithstanding the submission of any requested additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval.

After the FDA evaluates a BLA and conducts inspections of manufacturing facilities where the investigational product will be produced, the FDA may issue an approval letter or a Complete Response letter. An approval letter authorizes commercial marketing of the product with specific prescribing information for specific indications. A Complete Response letter will describe all of the deficiencies that the FDA has identified in the BLA, except that where the FDA determines that the data supporting the application are inadequate to support approval, the FDA may issue the Complete Response letter without first conducting required inspections, testing submitted product lots, and/or reviewing proposed labeling. In issuing the Complete Response letter, the FDA may recommend actions that the applicant might take to place the BLA in condition for approval, including requests for additional information or clarification. The FDA may delay or refuse approval of a BLA if applicable regulatory criteria are not satisfied, require additional testing or information and/or require post-marketing testing and surveillance to monitor safety or efficacy of a product.

If regulatory approval of a product is granted, such approval will be granted for particular indications and may entail limitations on the indicated uses for which such product may be marketed. For example, the FDA may approve the BLA with a Risk Evaluation and Mitigation Strategy, or REMS, to ensure the benefits of the product outweigh its risks. A REMS is a safety strategy to manage a known or potential serious risk associated with a product and to enable patients to have continued access to such medicines by managing their safe use, and could include medication guides, physician communication plans, or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. The FDA also may condition approval on, among other things, changes to proposed labeling or the development of adequate controls and specifications. Once approved, the FDA may withdraw the product approval if compliance with pre- and post-marketing requirements is not maintained or if problems occur after the product reaches the marketplace. The FDA may require one or more Phase 4 post-market studies and surveillance to further assess and monitor the product's safety and effectiveness after commercialization, and may limit further marketing of the product based on the results of these post-marketing studies.

Post-Approval Requirements

Any products manufactured or distributed by us pursuant to FDA approvals are subject to pervasive and continuing regulation by the FDA, including, among other things, requirements relating to record-keeping, reporting of adverse experiences, periodic reporting, product sampling and distribution, and advertising and promotion of the product. After approval, most changes to the approved product, such as adding new indications or other labeling claims, are subject to prior FDA review and approval. There also are continuing user fee requirements, under which FDA assesses an annual program fee for each product identified in an approved BLA. Biologic manufacturers and their subcontractors are required to register their establishments with the FDA and certain state agencies, and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP, which impose certain procedural and documentation requirements upon us and our third-party manufacturers.

Changes to the manufacturing process are strictly regulated, and, depending on the significance of the change, may require prior FDA approval before being implemented. FDA regulations also require investigation and correction of any deviations from cGMP and impose reporting requirements upon us and any third-party manufacturers that we may decide to use. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain compliance with cGMP and other aspects of regulatory compliance.

The FDA may withdraw approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical studies to assess new safety risks; or imposition of distribution restrictions or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of a product, complete withdrawal of the product from the market or product recalls;
- fines, warning letters or holds on post-approval clinical studies;
- refusal of the FDA to approve pending applications or supplements to approved applications, or suspension or revocation of existing product approvals;
- product seizure or detention, or refusal of the FDA to permit the import or export of products; or
- injunctions or the imposition of civil or criminal penalties.

The FDA closely regulates the marketing, labeling, advertising and promotion of biologics. A company can make only those claims relating to safety and efficacy, purity and potency that are approved by the FDA and in accordance with the provisions of the approved label. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses. Failure to comply with these requirements can result in, among other things, adverse publicity, warning letters, corrective advertising and potential civil and criminal penalties. Physicians may prescribe legally available products for uses that are not described in the product's labeling and that differ from those tested by us and approved by the FDA. Such off-label uses are common across medical specialties. Physicians may believe that such off-label uses are the best treatment for many patients in varied circumstances. The FDA does not regulate the behavior of physicians in their choice of treatments. The FDA does, however, restrict manufacturer's communications on the subject of off-label use of their products.

Other Healthcare Regulations

Our business operations and current and future arrangements with investigators, healthcare professionals, consultants, third-party payers, patient organizations and customers, may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations. These laws may constrain the business or financial arrangements and relationships through which we conduct our operations, including how we research, market, sell and distribute our product. Such laws include those described below.

The federal Anti-Kickback Statute prohibits, among other things, any person or entity, from knowingly and willfully offering, paying, soliciting or receiving any remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce or reward, or in return for, the referral of an individual for, or purchasing, leasing, ordering, or arranging for the purchase, lease or order of, any good, facility, item or service reimbursable under Medicare, Medicaid or other federal healthcare programs. The federal Anti-Kickback Statute has been interpreted to apply to arrangements between pharmaceutical manufacturers on the one hand and prescribers, purchasers, and formulary managers on the other hand. The term remuneration has been interpreted broadly to include anything of value. There are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution. The exceptions and safe harbors are drawn narrowly and practices that involve remuneration that may be alleged to be intended to induce prescribing, purchasing or recommending may be subject to scrutiny if they do not qualify for an exception or safe harbor. Failure to meet all of the requirements of a particular applicable statutory exception or regulatory safe harbor does not make the conduct per se illegal under the federal Anti-Kickback Statute. Instead, the legality of the arrangement will be evaluated on a case-by-case basis based on a cumulative review of all facts and circumstances. Additionally, the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010, or collectively the PPACA, amended the intent requirement of the federal Anti-Kickback Statute, and other healthcare criminal fraud statutes, so that a person or entity no longer needs to have actual knowledge of the federal Anti-Kickback Statute, or the specific intent to violate it, to have violated the statute. The PPACA also provided that a violation of the federal Anti-Kickback Statute is grounds for the government or a whistleblower to assert that a claim for payment of items or services resulting from such violation constitutes a false or fraudulent claim for purposes of the federal civil False Claims Act.

The federal civil and criminal false claims laws, including the federal civil False Claims Act, or FCA, prohibit, among other things, any person or entity from knowingly presenting, or causing to be presented, a false claim for payment to, or approval by, the U.S. federal government, including the Medicare and Medicaid programs, or knowingly making, using, or causing to be made or used a false record or statement material to a false or fraudulent claim or to avoid, decrease or conceal an obligation to pay money to the federal government. As a result of a modification made by the Fraud Enforcement and Recovery Act of 2009, a claim includes “any request or demand” for money or property presented to the U.S. government.

In addition, manufacturers can be held liable under the FCA even when they do not submit claims directly to government payers if they are deemed to “cause” the submission of false or fraudulent claims. The FCA also permits a private individual acting as a “whistleblower” to bring actions on behalf of the federal government alleging violations of the FCA and to share in any monetary recovery. FCA liability is potentially significant in the healthcare industry because the statute provides for treble damages and mandatory penalties. Government enforcement authorities and private whistleblowers have investigated pharmaceutical companies for or asserted liability under the FCA for a variety of alleged impermissible promotional and marketing activities, such as providing free product to customers with the expectation that the customers would bill federal programs for the product; providing consulting fees and other benefits to physicians to induce them to prescribe products; engaging in promotion for “off-label” uses; and submitting inflated best price information to the Medicaid Rebate Program.

The federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, created additional federal criminal statutes that prohibits, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of whether the payer is public or private, knowingly and willfully embezzling or stealing from a health care benefit program, willfully obstructing a criminal investigation of a health care offense and knowingly and willfully falsifying, concealing or covering up by any trick, scheme or device a material fact or making any materially false, fictitious or fraudulent statements in connection with the delivery of, or payment for, healthcare benefits, items or services relating to healthcare matters. Additionally, the PPACA amended the intent requirement of some of these criminal statutes under HIPAA so that a person or entity no longer needs to have actual knowledge of the statute, or the specific intent to violate it, to have committed a violation.

Additionally, the federal Open Payments program pursuant to the Physician Payments Sunshine Act, created under Section 6002 of the PPACA and its implementing regulations, require some manufacturers of drugs, devices, biologicals and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with specified exceptions) to report annually information related to specified payments or other transfers of value provided to physicians (defined to include doctors, dentists, optometrists, podiatrists, and chiropractors), other healthcare professionals (such as physician assistants and nurse practitioners) and teaching hospitals, or to entities or individuals at the request of, or designated on behalf of, the physicians, and teaching hospitals and to report annually specified ownership and investment interests held by physicians and their immediate family members.

In addition, we may be subject to data privacy and security regulation of both the federal government and the states in which we conduct our business. HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, or HITECH, and their implementing regulations, impose requirements relating to the privacy, security and transmission of individually identifiable health information held by covered entities subject to the law, such as health plans, healthcare clearinghouses, and certain healthcare providers, and their business associates, defined as independent contractors or agents of covered entities that create, receive, maintain or transmit protected health information in connection with providing a service for or on behalf of a covered entity and their subcontractors that use, disclose, access, or otherwise process protected health information. Among other things, HITECH created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties and HIPAA's security standards directly applicable to business associates, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions.

Further, the U.S. Public Health Service Act, prohibits, among other things, the introduction into interstate commerce of a biological product unless a biologics license is in effect for that product.

Many states have also adopted laws similar to each of the above federal laws, which may be broader in scope and apply to items or services reimbursed by any third-party payer, including commercial insurers. We may also be subject to state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government, state and local laws that require the registration of pharmaceutical sales representatives, state laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures and pricing information, and/or state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts.

Ensuring that our internal operations and business arrangements with third parties comply with applicable healthcare laws and regulations will likely be costly. It is possible that governmental authorities will conclude that our business practices do not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations were found to be in violation of any of these laws or any other governmental regulations that may apply to us, we may be subject to significant civil, criminal and administrative penalties, damages, fines, disgorgement, imprisonment, possible exclusion from government funded healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, additional reporting obligations and oversight if we become subject to a corporate integrity agreement or other agreement to resolve allegations of non-compliance with these laws, and curtailment of our operations, any of which could substantially disrupt our operations. If the physicians or other providers or entities with whom we expect to do business are found not to be in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs.

Coverage and Reimbursement

In the United States and markets in other countries, sales of any products for which we receive regulatory approval for commercial sale will depend, in part, on the extent to which third-party payers provide coverage, and establish adequate reimbursement levels for such products. In the United States, third-party payers include federal and state healthcare programs, private managed care providers, health insurers and other organizations.

The process for determining whether a third-party payer will provide coverage for a product may be separate from the process for setting the price of a product or for establishing the reimbursement rate that such a payer will pay for the product. Third-party payers may limit coverage to specific products on an approved list, or also known as a formulary, which might not include all of the FDA-approved products for a particular indication. Third-party payers are increasingly challenging the price, examining the medical necessity and reviewing the cost-effectiveness of medical products, therapies and services, in addition to questioning their safety and efficacy. A payer's decision to provide coverage for a product does not imply that an adequate reimbursement rate will be approved. Further, the determination of one payer to provide coverage for a product does not assure that other payers will also provide such coverage for the product.

Adequate third-party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment in product development.

Different pricing and reimbursement schemes exist in other countries. In the European Union, pricing and reimbursement schemes vary widely from country to country. Some countries provide that products may be marketed only after a reimbursement price has been agreed. Some countries may approve a specific price for a product, or they may instead adopt a system of direct or indirect controls on the profitability of the company placing the product on the market. Other EU Member States allow companies to fix their own prices for products but monitor and control prescription volumes and issue guidance to physicians to limit prescriptions. In addition, some countries may require the completion of additional studies that compare the cost-effectiveness of a particular product candidate to currently available therapies (so called health technology assessments) in order to obtain reimbursement or pricing approval. This Health Technology Assessment, or HTA, process is the procedure according to which the assessment of the public health impact, therapeutic impact and the economic and societal impact of use of a given medicinal product in the national healthcare systems of the individual country is conducted. The outcome of HTA regarding specific medicinal products will often influence the pricing and reimbursement status granted to these medicinal products by the competent authorities of individual EU Member States.

Healthcare Reform Measures

The United States and some non-U.S. jurisdictions are considering or have enacted a number of legislative and regulatory proposals designed to change the healthcare system. Among policy makers and payers in the United States and elsewhere, there is significant interest in promoting changes in healthcare systems with the stated goals of containing healthcare costs, improving quality and/or expanding access. In the United States, the pharmaceutical industry has been a particular focus of these efforts and has been significantly affected by major legislative initiatives.

For example, the pharmaceutical industry in the United States has been affected by the passage of PPACA, which, among other things: imposed new fees on entities that manufacture or import certain branded prescription drugs; expanded pharmaceutical manufacturer obligations to provide discounts and rebates to certain government programs; implemented a licensure framework for follow-on biologic products; expanded health care fraud and abuse laws; revised the methodology by which rebates owed by manufacturers to the state and federal government under the Medicaid Drug Rebate Program are calculated for certain drugs and biologics, including products that are inhaled, infused, instilled, implanted or injected; imposed an additional rebate similar to an inflation penalty on new formulations of drugs; extended the Medicaid Drug Rebate Program to utilization of prescriptions of individuals enrolled in Medicaid managed care organizations; expanded the 340B program which caps the price at which manufacturers can sell covered outpatient pharmaceuticals to specified hospitals, clinics and community health centers; and provided incentives to programs that increase the federal government's comparative effectiveness research.

There have been judicial and Congressional challenges to certain aspects of the PPACA. While Congress has not passed comprehensive repeal legislation, several bills affecting the implementation of certain taxes under the PPACA have been signed into law. The Tax Cuts and Jobs Act of 2017, or Tax Act, includes a provision repealing, effective January 1, 2019, the tax-based shared responsibility payment imposed by the PPACA on certain individuals who fail to maintain qualifying health coverage for all or part of a year that is commonly referred to as the "individual mandate". On June 17, 2021, the U.S. Supreme Court dismissed a challenge on procedural grounds that argued the PPACA is unconstitutional in its entirety because the "individual mandate" was repealed by Congress. Further, there have been a number of health reform measures by the Biden administration that have impacted the PPACA. For example, on August 16, 2022, President Biden signed the Inflation Reduction Act of 2022, or the IRA, into law, which among other things, extends enhanced subsidies for individuals purchasing health insurance coverage in PPACA marketplaces through plan year 2025. The IRA also eliminates the "donut hole" under the Medicare Part D program beginning in 2025 by significantly lowering the beneficiary maximum out-of-pocket cost and by creating a new manufacturer discount program. It is possible that the PPACA will be subject to judicial or Congressional challenges in the future. It is unclear how such challenges and the healthcare reform measures of the Biden administration.

Other legislative changes have been proposed and adopted in the United States since the PPACA was enacted. In August 2011, the Budget Control Act of 2011, among other things, included aggregate reductions of Medicare payments to providers of 2.0% per fiscal year, which went into effect in April 2013, and due to subsequent legislative amendments, including the BBA, will remain in effect until 2032, unless additional U.S. Congressional action is taken. In addition, in January 2013, President Obama signed into law the American Taxpayer Relief Act of 2012, which, among other things, reduced Medicare payments to several categories of healthcare providers and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. Additional changes that may affect our business include new quality and payment programs such as Medicare payment for performance initiatives for physicians under the Medicare Access and CHIP Reauthorization Act of 2015, or MACRA, which ended the use of the statutory formula for clinician payment and established a quality payment incentive program, also referred to as the Quality Payment Program.

In addition, there has been increasing legislative and enforcement interest in the United States with respect to drug pricing practices in recent years, particularly with respect to drugs that have been subject to relatively large price increases over relatively short time periods. Specifically, there have been several recent U.S. Presidential executive orders, Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, reduce the cost of prescription drugs under Medicare and reform government program reimbursement methodologies for pharmaceutical products. At the federal level, for example, in July 2021, the Biden administration released an executive order, "Promoting Competition in the American Economy," with multiple provisions aimed at prescription drugs. In response to Biden's executive order, on September 9, 2021, the Department of Health and Human Services, or HHS, released a Comprehensive Plan for Addressing High Drug Prices that outlines principles for drug pricing reform and sets out a variety of potential legislative policies that Congress could pursue as well as potential administrative actions HHS can take to advance these principles. In addition, the IRA, among other things, (i) directs the Secretary of HHS to negotiate the price of certain high-expenditure, single-source drugs and biologics covered under Medicare Part B and Medicare Part D, and subjects drug manufacturers to civil monetary penalties and a potential excise tax by offering a price that is not equal to or less than the negotiated "maximum fair price" under the law, and (ii) imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation. These provisions take effect progressively starting in fiscal year 2023. On August 29, 2023, HHS announced the list of the first ten drugs that will be subject to price negotiations, although the Medicare drug price negotiation program is currently subject to legal challenges. Further in response to the Biden administration's October 2022 executive order, on February 14, 2023, HHS released a report outlining three new models for testing by the CMS Innovation Center which will be evaluated on their ability to lower the cost of drugs, promote accessibility, and improve quality of care. It is unclear whether the models will be utilized in any health reform measures in the future. Further, on December 7, 2023, the Biden administration announced an initiative to control the price of prescription drugs through the use of march-in rights under the Bayh-Dole Act. On December 8, 2023, the National Institute of Standards and Technology published for comment a Draft Interagency Guidance Framework for Considering the Exercise of March-In Rights which for the first time includes the price of a product as one factor an agency can use when deciding to exercise march-in rights. While march-in rights have not previously been exercised, it is uncertain if that will continue under the new framework.

In addition, individual states in the United States have become increasingly active in passing legislation and implementing regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. For example, on January 5, 2024, the FDA approved Florida's Section 804 Importation Program (SIP) proposal to import certain drugs from Canada for specific state healthcare programs. It is unclear how this program will be implemented, including which drugs will be chosen, and whether it will be subject to legal challenges in the United States or Canada. Other states have also submitted SIP proposals that are pending review by the FDA. Any such approved importation plans, when implemented, may result in lower drug prices for products covered by those programs. In the future, there will likely continue to be proposals relating to the reform of the U.S. healthcare system, some of which could further limit coverage and reimbursement of products.

The Foreign Corrupt Practices Act

The Foreign Corrupt Practices Act, or FCPA, prohibits any U.S. individual or business from paying, offering or authorizing payment or offering of anything of value, directly or indirectly, to any non-U.S. official, political party or candidate for the purpose of influencing any act or decision of the non-U.S. entity in order to assist the individual or business in obtaining or retaining business. The FCPA also obligates companies whose securities are listed in the United States to comply with accounting provisions requiring the companies to maintain books and records that accurately and fairly reflect all transactions of the companies, including international subsidiaries, and to devise and maintain an adequate system of internal accounting controls for international operations.

Non-U.S. Government Regulation

To the extent that Omisirge is sold in a country outside of the United States, we would be subject to similar non-U.S. laws and regulations, which may include, for instance, applicable marketing requirements, including safety surveillance, anti-fraud and abuse laws and implementation of corporate compliance programs and reporting of payments or other transfers of value to healthcare professionals.

Data Privacy and Security Laws

In the ordinary course of our business, we may process personal or sensitive data. Accordingly, we are or may become, subject to numerous data privacy and security obligations, including federal, state, local, and foreign laws, regulations, guidance and industry standards related to data privacy and security. Such obligations may including, without limitation, the Federal Trade Commission Act, the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003, the California Consumer Privacy Act of 2018, or the CCPA, the European Union's General Data Protection Regulation 2016/679, or EU GDPR, the EU GDPR as it forms part of United Kingdom law by virtue of section 3 of the European Union (Withdrawal) Act 2018, or UK GDPR, Israel's Protection of Privacy Law and Singapore's Personal Data Protection Act. Several states within the United States have enacted or proposed data privacy and security laws. For example, Virginia passed the Consumer Data Protection Act, and Colorado passed the Colorado Privacy Act. Additionally we are, or may become subject to various U.S. federal and state consumer protection laws which require us to public statements that accurately and fairly describe how we handle personal data and choices individuals may have about the way we handle their personal data.

The CCPA and EU GDPR are examples of the increasingly stringent and evolving regulatory frameworks related to personal data processing that may increase our compliance obligations and exposure for any non-compliance. For example, the CCPA imposes obligations on covered businesses to provide specific disclosures related to a business's collecting, using, and disclosing personal data and to respond to certain requests from California residents related to their personal data (for example, requests to know of the business's personal data processing activities, to delete the individual's personal data, and to opt out of certain personal data disclosures). Also, the CCPA provides for civil penalties and a private right of action for data breaches which may include an award of statutory damages. In addition, the California Privacy Rights Act of 2020, or CPRA, effective January 1, 2023, will expand the CCPA. The CPRA will, among other things, give California residents the ability to limit use of certain sensitive personal data, establish restrictions on personal data retention, expand the types of data breaches that are subject to the CCPA's private right of action, and establish a new California Privacy Protection Agency to implement and enforce the new law.

Foreign data privacy and security laws (including but not limited to the EU GDPR and UK GDPR) impose significant and complex compliance obligations on entities that are subject to those laws. As one example, the EU GDPR applies to any company established in the EEA and to companies established outside the EEA that process personal data in connection with the offering of goods or services to data subjects in the EEA or the monitoring of the behavior of data subjects in the EEA. ' These obligations may include limiting personal data processing to only what is necessary for specified, explicit, and legitimate purposes; requiring a legal basis for personal data processing; requiring the appointment of a data protection officer in certain circumstances; increasing transparency obligations to data subjects; requiring data protection impact assessments in certain circumstances; limiting the collection and retention of personal data; increasing rights for data subjects; formalizing a heightened and codified standard of data subject consents; requiring the implementation and maintenance of technical and organizational safeguards for personal data; mandating notice of certain personal data breaches to the relevant supervisory authority(ies) and affected individuals; and mandating the appointment of representatives in the UK and/or the EU in certain circumstances. See the section titled "Risks Related to Government Regulation" for additional information about the laws and regulations to which we may become subject and about the risks to our business associated with such laws and regulations.

Employees

As of December 31, 2023, we had 145 full-time employees and 3 part-time employees, 99 of whom are based in Israel and 46 of whom are based in the United States. Of these employees, 22 are primarily engaged in research and development activities and 123 are primarily engaged in manufacturing, general and administrative and commercialization matters. A total of 14 employees have an M.D. or Ph.D. degree. None of our employees is represented by a labor union. We have never experienced any employment-related work stoppages and believe our relationships with our employees are good Israeli labor laws govern the length of the workday and workweek, minimum wages for employees, procedures for hiring and dismissing employees, determination of severance pay, annual leave, sick days, advance notice of termination, payments to the National Insurance Institute, and other conditions of employment and include equal opportunity and anti-discrimination laws. While none of our employees is party to any collective bargaining agreements, certain provisions of the collective bargaining agreements between the Histadrut (General Federation of Labor in Israel) and the Coordination Bureau of Economic Organizations (including the Industrialists' Associations) are applicable to our employees in Israel by order of the Israeli Ministry of Economy and Industry. These provisions primarily concern pension fund benefits for all employees, insurance for work-related accidents, recuperation pay and travel expenses. We generally provide our employees with benefits and working conditions beyond the required minimums.

We are an equal opportunity employer that pledges to not discriminate against employees based on race, color, religion, sex, national origin, age, disability or genetic information. Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing and integrating our existing and additional employees. The principal purposes of our equity incentive plans are to attract, retain and motivate selected employees, consultants and directors through the granting of equity-based compensation awards. We strive to create a diverse environment, and our commitment to diversity, equity and inclusion begins with our leadership team of diverse backgrounds and experiences, including three women on the board of directors.

We are committed to the Environmental Health and Safety (EHS) safety of our employees. We continuously strive to maintain our strong safety performance as we continue to grow our business around the globe. The keys to our EHS success are a workforce that is engaged, a management team who supports and invests in employee safety, and the leadership of our skilled EHS team. In the last several years, the team has added dedicated EHS professionals to individual sites to train employees and ensure compliance with applicable safety standards and regulations. The team hosts regular meetings to share information and discuss best practices across plants.

We are also committed to developing our future leaders at every level. Our talent processes start with understanding what current and future talent is needed to deliver business goals, followed by a talent review process to assist managers with evaluating talent. Learning and development is a critical part of creating our culture of high performance, innovation, and inclusion. We believe on-the-job experience is an outstanding way to learn, and performance and development plans ensure that managers and employees have conversations about career aspirations, mobility, developmental goals and interests.

We are committed to creating an open and accountable workplace where employees feel empowered to speak up and raise issues. In an ongoing effort to understand our employees' needs, and deliver on our values of trust, accountability and collaboration, we listen. We regularly host company-wide and business unit town halls to offer employees an opportunity to ask questions about Company activities and policies that impact them. We solicit and receive questions and feedback from our employees through this process. We also provide multiple channels to speak up, ask for guidance, and report concerns.

Environmental, Health and Safety Matters

We are subject to extensive environmental, health and safety laws and regulations in a number of jurisdictions, primarily Israel, governing, among other things: the use, storage, registration, handling, emission and disposal of chemicals, waste materials and sewage; chemicals, air, water and ground contamination; air emissions and the cleanup of contaminated sites, including any contamination that results from spills due to our failure to properly dispose of chemicals, waste materials and sewage. Our operations use chemicals and produce waste materials and sewage and require permits from various governmental authorities including, local municipal authorities, the Israeli Ministry of Environmental Protection and the Israeli Ministry of Health. The Ministry of Environmental Protection and the Ministry of Health, local authorities and the municipal water and sewage company conduct periodic inspections in order to review and ensure our compliance with the various regulations. These laws, regulations and permits could potentially require the expenditure by us of significant amounts for compliance or remediation. If we fail to comply with such laws, regulations or permits, we may be subject to fines and other civil, administrative or criminal sanctions, including the revocation of permits and licenses necessary to continue our business activities. In addition, we may be required to pay damages or civil judgments in respect of third-party claims, including those relating to personal injury (including exposure to hazardous substances we use, store, handle, transport, manufacture or dispose of), property damage or contribution claims. Some environmental, health and safety laws allow for strict, joint and several liability for remediation costs, regardless of comparative fault. We may be identified as a responsible party under such laws. Such developments could have a material adverse effect on our business, financial condition and results of operations. In addition, laws and regulations relating to environmental, health and safety matters are often subject to change. In the event of any changes or new laws or regulations, we could be subject to new compliance measures or to penalties for activities that were previously permitted.

Our Values

At Gamida Cell, our actions are guided by five core values that are the foundation of who we are and who we aspire to be. We live these values on a daily basis. For our values to impact our goal of bringing life-changing cell therapies to patients, they must be at the center of everything we do:

Put Patients First: Our reason to wake up each day.

Be Respectful: We are ethical and kind.

Drive to Success: We work hard and play hard.

Embrace Change: Our adaptability advances medicine.

Be Bold: We strive for cures.

We are committed to promoting integrity, honesty and professionalism and maintaining the highest standards of ethical conduct in all of the Company's activities. The Company's success depends on its reputation for integrity and fairness. Therefore, it is essential that the highest standards of conduct and professional integrity be observed in all contacts made by the Company's directors and employees, including officers, with customers, shareholders, suppliers, government officials, fellow employees and members of the general public. In this regard, Gamida Cell has established this written set of policies dealing with the rules and policies of conduct to be used in conducting the business affairs of the Company, which is available on our website (https://investors.gamida-cell.com/corporate-governance/documents-charters).

Corporate Information

We are an Israeli corporation incorporated in 1998. Our principal executive offices are located at 116 Huntington Avenue, 7th Floor, Boston, Massachusetts 02116. Our telephone number is (617) 892-9080. Our website address is www.gamida-cell.com.

ITEM 1A. RISK FACTORS

Investing in our ordinary shares involves a high degree of risk. You should carefully consider the risks and uncertainties described below, in addition to the other information set forth in this annual report, including the consolidated financial statements and the related notes included elsewhere in this annual report, before purchasing our ordinary shares. If any of the following risks actually occurs, our business, financial condition, cash flows and results of operations could be negatively impacted. In that case, the trading price of our ordinary shares would likely decline and you might lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations.

Summary of Selected Risk Factors

Our business is subject to a number of risks, including risks that may prevent us from achieving our business objectives or may adversely affect our business, financial condition, results of operations, cash flows, and prospects. These risks are discussed more fully below and include, but are not limited to, risks related to, the following:

- We may not be able to continue as a going concern and holders of our ordinary shares could suffer a total loss of their investment.
- Pursuant to the restructuring process as contemplated by the Support Agreement, if completed, holders of our ordinary shares will have their equity cancelled and will be given certain contingent value rights, or CVRs, which may have no value.
- Pursuit of a strategic transaction has consumed a substantial portion of the time and attention of our management and we expect that our restructuring process will continue to consume the attention of our management, which may have an adverse effect on our business and results of operations, and we may face increased levels of employee attrition. In addition, the third-party costs associated with a potential strategic transaction have been and will continue to be significant.
- While we complete our restructuring process, we will be subject to the risks and uncertainties associated with voluntary restructuring proceedings in Israel.
- We have not generated significant revenue from product sales and may never be profitable.
- We are heavily dependent on the success of Omisirge, including obtaining regulatory approvals in geographies outside of the United States, and if Omisirge is not successfully commercialized, our business will be adversely affected.
- We have limited experience producing Omisirge at commercial levels and we have limited experience operating a cGMP compliant manufacturing facility.
- We currently have a limited marketing and sales organization. If we are unable to establish adequate sales and marketing capabilities to support the commercial launch of Omisirge or enter into agreements with third parties to market and sell Omisirge, we may be unable to generate sufficient product revenue.
- Sales of Omisirge will be limited unless it achieves broad market acceptance by physicians, patients, third-party payers, hospital pharmacists and others in the medical community.
- It may be difficult for us to profitably sell Omisirge if coverage and reimbursement for Omisirge is limited by government authorities and/or third-party payer policies.
- We are subject to the risk of various legal and regulatory proceedings, including litigation in the ordinary course of business. Our business further entails a significant risk of product liability and our ability to obtain sufficient insurance coverage could have a material effect on our business, financial condition, results of operations or prospects.
- Omisirge and the administration process may cause undesirable side effects or have other properties that could limit the commercial profile of an approved label or result in significant negative consequences following marketing approval, and result in costly and damaging product liability claims against us.
- Omisirge will remain subject to regulatory scrutiny.
- We may be unable to maintain the benefits associated with orphan drug designations that we have obtained, including market exclusivity, which may cause our revenue, if any, to be reduced.

- Our business operations and current and future relationships with healthcare professionals, consultants, third-party payers, patient organizations and customers will be subject to applicable healthcare regulatory laws, which could expose us to penalties.

- We face competition from other biotechnology and pharmaceutical companies, and our operating results will suffer if we fail to compete effectively.

- Even though Omisirge is approved by the FDA for marketing in the United States, we may never obtain approval of Omisirge outside of the United States, which would limit our market opportunities and adversely affect our business.

- The misuse or off-label use of our products may harm our reputation in the marketplace, result in injuries that lead to product liability suits or result in costly investigations, fines or sanctions by regulatory bodies if we are deemed to have engaged in the promotion of these uses, any of which could be costly to our business.

- Failure or perceived failure to comply with existing or future laws, regulations, contracts, self-regulatory schemes standards and other obligations related to data privacy and security (including security incidents) could harm our business. Compliance or the actual or perceived failure to comply with such obligations could increase the costs of our products/services, limit their use or adoption, and otherwise negatively affect our operating results and business.

- We rely on a limited number of suppliers to provide the raw materials other than cord blood (serum and growth factor) needed to produce our product. We have a relationship with a single supplier, Miltenyi Biotec GmbH, for certain equipment (columns and beads) necessary to manufacture our product.

- Our reliance on third parties requires us to share our trade secrets and other intellectual property, which increases the possibility that a competitor will discover them or that our trade secrets and other intellectual property will be misappropriated or disclosed.

- We face a variety of challenges and uncertainties associated with our dependence on the availability of CBUs at cord blood banks for the manufacture of Omisirge.

- If we are unable to obtain, maintain or protect intellectual property rights related to Omisirge, we may not be able to compete effectively in our market.

- The market price of our ordinary shares may fluctuate significantly, which could result in substantial losses by our investors.

- The exchange of some or all of the 2021 Notes or 2022 Note into our ordinary shares could result in significant dilution to existing shareholders, adversely affect the market price of our ordinary shares and impair our ability to raise capital through the sale of additional equity securities.

- Significant parts of our operations are located in Israel and, therefore, our results may be adversely affected by political, economic and military conditions in Israel.

Risks Related to Our Financial Position and Restructuring Process

We may not be able to continue as a going concern and holders of our ordinary shares could suffer a total loss of their investment.

Our cash balance as of December 31, 2023 was $46.6 million. Our preliminary estimated unrestricted cash balance as of March 15, 2024 was $28.5 million, reflecting a monthly burn rate of $7.2 million, which we expect to continue. These conditions raise substantial doubt about our ability to continue as a going concern beyond the second quarter of 2024. We have incurred net losses each year since our inception in 1998, including net losses of $63.0 million and $79.4 million for the years ended December 31, 2023 and 2022, respectively. As of December 31, 2023, we had an accumulated deficit of $479.8 million.

Although we have implemented significant cost reductions and other cash-focused measures to manage liquidity, including implementing a workforce reduction of 25% of our workforce as announced on March 27, 2024, without restructuring our substantial debt, we will not have the necessary cash resources for our operations and to pay our outstanding obligations under the 2022 Notes (as defined below) and the 2021 Notes (as defined below) as they become due. As of March 15, 2024, we owed approximately $5.0 million under our senior secured exchangeable notes issued on December 12, 2022, or the 2022 Notes, and we owed approximately $75.0 million under our senior unsecured exchangeable notes issued on February 16, 2021, or the 2021 Notes, and we have ongoing payment obligations under each of these notes. With the goal of maximizing value for our stakeholders, on March 26, 2024, we entered into the Support Agreement with Highbridge, pursuant to which we and Highbridge have agreed to restructure all of our outstanding equity and debt in a voluntary restructuring proceeding that is governed by Israeli law, referred to as our restructuring process. If we are unable to complete our restructuring process as contemplated by the Support Agreement, we will likely enter involuntary insolvency proceedings in Israel and wind down our operations. There will be significant costs associated with such proceedings and wind down, such as separation of employees and termination of contracts, and we could owe certain taxes on any such transaction. If we enter involuntary insolvency proceedings, we expect that there will be no distribution (cash or otherwise) to shareholders after payment of the foregoing expenses and our shareholders will suffer a total loss of their investment.

Pursuant to the restructuring process as contemplated by the Support Agreement, if completed, holders of our ordinary shares will have their equity cancelled and will be given certain contingent value rights, which may have no value.

If our restructuring process is completed as contemplated by the Support Agreement, Gamida Cell Ltd. will be a newly reorganized private operating company that is owned entirely by Highbridge and our business will continue as a going concern with Highbridge being the only impaired creditor. No cash or other consideration will be available for distribution to our shareholders after discharge of our debts and liabilities and payment of expenses associated with this process. However, pursuant to the Support Agreement, each holder of ordinary shares of the Company as of the completion of the restructuring process will be entitled to receive certain CVRs pursuant to a contingent value rights agreement, or the CVR Agreement, to be executed in connection with the restructuring process upon cancellation of such holder's ordinary shares and subject to the completion of the restructuring process.

When issued, the CVRs will require cash payments to CVR holders of: (i) $10 million in the aggregate, if, within three years following the effective date of the restructuring, aggregate U.S. revenues from sales of Omisirge exceed $100 million in any four consecutive fiscal quarters; and (ii) $15 million in the aggregate, if, within three years following the effective date of the restructuring, aggregate U.S. revenues from sales of Omisirge in any four consecutive fiscal quarter exceed $150 million; and (iii) $2.5 million in the aggregate upon the first regulatory approval of any product associated with the Company's NK cell platform within four years following the effective date of the restructuring. The CVRs will not be transferable, will not have any voting or dividend rights, and interest will not accrue on any amounts potentially payable on the CVRs. Accordingly, the right of any shareholder of record as of the completion of our restructuring process to receive any future payment on or derive any value from the CVRs will be contingent solely upon the achievement of the foregoing events within the time periods specified. For the year ended December 31, 2023, we had $1.8 million of net revenues from sales of Omisirge, which were solely in the United States. Accordingly, there can be no assurance that Omisirge will be successfully commercialized or that the newly reorganized company will be able to achieve the revenues required or regulatory milestone for any payment under the CVRs. If these events are not achieved for any reason within the time periods specified, no payments will be made under the CVRs, and the CVRs will be expire without value. Furthermore, the CVRs will be unsecured obligations and all payments under the CVRs, all other obligations under the CVR Agreement and the CVRs and any rights or claims relating thereto will be subordinated in right of payment to the prior payment in full of all current or future senior obligations or the reorganized company. Finally, the Israeli and U.S. federal income tax treatment of the CVRs is unclear. There is no legal authority directly addressing the Israeli or U.S. federal income tax treatment of the receipt of, and payments on, the CVRs, and there can be no assurance that Israel Tax Authority or the U.S. Internal Revenue Service, would not assert, or that a court would not sustain, a position that could result in adverse Israeli or U.S. federal income tax consequences to holders of the CVRs.

Pursuit of a strategic transaction has consumed a substantial portion of the time and attention of our management and we expect that our restructuring process will continue to consume the attention of our management, which may have an adverse effect on our business and results of operations, and we may face increased levels of employee attrition. In addition, the third-party costs associated with our restructuring process have been and will continue to be significant.

While we complete our restructuring process, our management has and will continue to be required to spend a significant amount of time and effort focusing on the potential transaction. This diversion of attention may materially adversely affect the conduct of our business, and, as a result, our financial condition and results of operations. During our strategic review process and our restructuring process, our employees have faced considerable distraction and uncertainty and we expect to experience increased levels of employee attrition. A loss of key personnel or material erosion of employee morale could have a materially adverse effect on our ability to maintain our operations as a going concern, thereby adversely affecting our business and results of operations. The failure to retain members of our management team and other key personnel could impair our ability to execute our restructuring process, thereby having a material adverse effect on our financial condition and results of operations and increasing the likelihood that we will have to enter involuntary insolvency proceedings.

Furthermore, we have and expect to continue to incur significant third-party costs associated with negotiating and completing our restructuring process. We can give no assurance as to the level of such costs, given that there can be no guarantee that we will complete our restructuring process as currently contemplated, including with respect to the duration of the restructuring process.

While we complete our restructuring process, we will be subject to the risks and uncertainties associated with voluntary restructuring proceedings in Israel.

On March 27, 2024, we voluntarily initiated restructuring proceedings pursuant to Israeli law and subject to the jurisdiction of Israeli courts. Our ability to continue operating as a going concern will be subject to the risks and uncertainties associated with restructuring proceedings, including, among others: our ability to execute, confirm and consummate our restructuring process; the high costs of restructuring proceedings and related fees; our ability to obtain sufficient financing to allow us to emerge from insolvency and execute our business plan post-emergence, including the fact that Highbridge is not required to provide any financing to the Company during the restructuring process or until its completion (if completed), and our ability to comply with terms and conditions of that financing; our ability to continue our operations in the ordinary course; our ability to maintain our relationships with our transplant centers and other third parties; our ability to obtain, maintain or renew contracts that are critical to our operations on reasonably acceptable terms and conditions; our ability to attract, motivate and retain key employees; heightened risks of shareholder and other litigation; and the actions and decisions of our stakeholders and other third parties who have interests in our restructuring proceedings that may be inconsistent with our operational and strategic plans. Any delays in our restructuring proceedings would increase the risks of our being unable to restructure our business and emerge from restructuring proceedings and may increase our costs associated with the restructuring process, result in the termination of our Support Agreement, and/or result in prolonged operational disruption or a complete wind down of our business. Also, we will need the prior approval of the Highbridge for material transactions that are not included in a budget that has been approved by Highbridge, or which would result in a material variance from such approved budget. Because of the risks and uncertainties associated with any restructuring proceedings, we cannot accurately predict or quantify the ultimate impact of events that could occur during any such proceedings. There can be no guarantees that we will emerge from restructuring proceedings and our restructuring process as a going concern. Further, we do not anticipate that holders of our ordinary shares will receive any recovery (cash or otherwise) from our restructuring proceedings or restructuring process at the completion of the process.

Our workforce reduction may not result in anticipated savings and could disrupt our business more than we expect.

On March 27, 2024, we announced that our board of directors had authorized the termination of approximately 25% of our employees. We expect to complete the workforce reduction during the second quarter of 2024. We may not realize, in full or in part, the anticipated benefits and savings from this plan due to unforeseen difficulties, delays or unexpected costs. If we are unable to realize the expected cost savings from the workforce reduction, our operating results and financial condition could be adversely affected. We expect that our workforce reduction and our restructuring process will be disruptive to our operations and could yield unanticipated consequences, such as attrition beyond planned staff reductions, increased difficulties in our day-to-day operations and reduced employee morale. If employees who were not affected by the workforce reduction seek alternative employment, this could result in our seeking contractor support at unplanned additional expense.

Completion of our restructuring process will constitute an event of default under the Indenture governing the 2021 Notes and the Loan and Security Agreement governing the 2022 Notes.

Both the Indenture governing the 2021 Notes and Loan and Security Agreement governing the 2022 Notes provide that a number of events will constitute an event of default, including our initiation of voluntary restructuring proceedings in the District Court of Beersheba, Israel on March 27, 2024. However, Highbridge has agreed not to pursue any remedies available to it under either the Indenture or the Loan and Security Agreement so long as the Support Agreement is in effect. In an event of default arising from insolvency, all obligations under the Indenture and the Loan and Security Agreement become immediately due and payable without action by the lenders. If any other event of default occurs and is continuing, the trustee or the holders of at least 25% in aggregate principal amount of the then outstanding 2021 Notes, in the case of the Indenture, or the administrative agent, at the direction of certain of the lenders, in the case of the Loan and Security Agreement, may, without notice or demand, deliver a notice of an event of default and by notice to us declare all obligations under the 2021 Notes and the 2022 Notes immediately due and payable. Such acceleration of our debt under the Indenture or the Loan and Security Agreement would have a material adverse effect on our liquidity and we would be forced into involuntary insolvency proceedings and wind down of our operations.

These risks have been and are likely to continue to be exacerbated by our ongoing restructuring proceedings and the corresponding event of default on our 2021 Notes and 2022 Notes, as further discussed herein. To the extent we are required or choose to seek third-party financing in the future, including in connection with any exit financing contemplated by the Support Agreement, there can be no assurance that we would be able to obtain any such required financing on a timely basis or at all, particularly in light of our ongoing restructuring proceedings and the corresponding event of default on our 2021 Notes and 2022 Notes. Additionally, any future financing arrangements could include terms that are not commercially beneficial to us, which could further restrict our operations and exacerbate any impact on our results of operations and liquidity that may result from any of the factors described herein or other factors.

We have not generated significant revenue from product sales and may never be profitable.

We have not generated significant revenue from product sales and our ability to generate future revenue from the commercialization of Omisirge is uncertain. We have had to invest certain costs to build out a sales and distribution team to support the launch of Omisirge. Furthermore, generating revenue from product sales will depend heavily on our ability to:

- commercialize Omisirge with collaborators;
- obtain regulatory approvals and marketing authorizations for Omisirge in jurisdictions outside of the United States;
- expose, educate and train physicians and other medical professionals to use Omisirge;
- maintain regulatory approval for a sustainable and scalable in-house and/or third-party manufacturing process for Omisirge that meets all applicable regulatory standards;
- establish and maintain supply and, if applicable, manufacturing relationships with third parties that can provide adequate, in both amount and quality, products to support the market demand for Omisirge;
- ensure procedures utilizing Omisirge are approved for coverage and adequate reimbursement from governmental agencies, private insurance plans, managed care organizations, and other third-party payers in jurisdictions where they have been approved for marketing;

- address any competing technological and market developments that impact Omisirge or its prospective usage by medical professionals;
- negotiate favorable terms in any collaboration, licensing or other arrangements into which we may enter and perform our obligations under such collaborations;
- maintain, protect and expand our portfolio of intellectual property rights, including patents, patent applications, trade secrets and knowhow; and
- avoid and defend against third-party interference, infringement or other intellectual property related claims; attract, hire and retain qualified personnel.

Though we have obtained regulatory approval to market Omisirge in the United States, our revenue will be dependent in part upon the size of the markets in additional territories, if any, in which we gain regulatory approval for Omisirge, the accepted price for Omisirge, our ability to obtain reimbursement for Omisirge at any price, whether we own the commercial rights for that territory in which Omisirge has been approved and the expenses associated with manufacturing and marketing Omisirge for such markets. Therefore, we may not generate significant revenue from the sale of Omisirge. Further, if we are not able to generate significant revenue from the sale of Omisirge, we may be forced to curtail or cease our operations. Due to the numerous risks and uncertainties involved in product development and commercialization, it is difficult to predict the timing or amount of increased expenses, or when, or if, we will be able to achieve or maintain profitability.

Risks Related to Commercialization of Omisirge

We are heavily dependent on the success of Omisirge, including obtaining regulatory approvals in geographies outside of the United States, and if Omisirge is not successfully commercialized, our business will be adversely affected.

To date, we have deployed all our efforts and financial resources to: (i) research and develop our NAM cell expansion platform, our product, Omisirge, and our NK cell portfolio, including conducting preclinical and clinical studies and providing general and administrative support for these operations; (ii) develop and secure our intellectual property portfolio for our product candidates; (iii) establish our manufacturing facility at Kiryat Gat to produce Omisirge for our clinical trials and commercial use, and (iv) establish a commercial organization to support the launch of Omisirge.

Omisirge may not attain market acceptance among physicians, patients, healthcare payers or the medical community. We believe that the degree of market acceptance and our ability to generate revenues from Omisirge will depend on a number of factors, including:

- our success in educating medical professionals and patients about the benefits, administration and use of Omisirge;
- timing of market introduction of medicines that may compete with Omisirge;
- our ability to successfully demonstrate the safety and efficacy of Omisirge;
- continued projected growth of the markets in which Omisirge competes;

- the effectiveness of our marketing, sales and distribution strategy, and operations, as well as that of any current and future licensees;
- the extent to which physicians perform HSCT;
- prevalence and severity of any side effects;
- if and when we are able to obtain regulatory approvals for additional indications for Omisirge;
- availability of, and ability to maintain, coverage and adequate reimbursement and pricing from government and other third-party payers for procedures utilizing Omisirge;
- potential or perceived advantages or disadvantages of Omisirge over alternative treatments, including cost of treatment and relative convenience and ease of administration;
- strength of sales, marketing and distribution support;
- the price of Omisirge, both in absolute terms and relative to alternative treatments;
- impact of past and limitation of future medicine price increases;
- our ability to maintain a commercially viable manufacturing process that is compliant with cGMP and produces Omisirge at Kiryat Gat or through third party manufacturers;
- our ability to obtain, maintain, protect and enforce our intellectual property rights with respect to Omisirge;
- the performance of third-party distribution partners, over which we have limited control; and
- medicine labeling or medicine insert requirements of the FDA or other regulatory authorities.

Many of these commercial risks are beyond our control. Accordingly, we cannot assure you that we will be able to commercialize Omisirge for its target indication. If we fail to achieve these objectives or overcome the challenges presented above, we could experience significant delays or an inability to successfully commercialize Omisirge. Accordingly, we may not be able to generate sufficient revenue through the sale of Omisirge to enable us to continue our business.

We have limited experience producing Omisirge at commercial levels and we have limited experience operating a cGMP manufacturing facility.

We do not have an extensive number of employees with the experience or ability to manufacture Omisirge at commercial levels. Although the FDA has determined that our manufacturing facility at Kiryat Gat is cGMP compliant, the FDA and equivalent foreign regulatory authority may still in the future find violations of cGMP at our facility. We may encounter technical or scientific issues related to manufacturing or development that we may be unable to resolve in a timely manner or with available funds. We also may encounter problems hiring and retaining the experienced specialist scientific, quality control and manufacturing personnel needed to operate our manufacturing process, which could result in delays in our production or difficulties in maintaining compliance with applicable regulatory requirements. Any problems in our manufacturing process or facilities could make us a less attractive collaborator for potential partners, including larger pharmaceutical companies, which could limit our access to additional attractive development programs. Problems in our manufacturing process or facilities also could restrict our ability to meet market demand for Omisirge.

We currently have a limited marketing and sales organization. If we are unable to establish adequate sales and marketing capabilities to support the commercial launch of Omisirge or enter into agreements with third parties to market and sell Omisirge, we may be unable to generate any product revenue.

Although we have a chief executive officer with commercial experience, and we have hired other commercial leaders to lead our efforts to commercialize Omisirge, we currently have a limited sales and marketing organization, and we have limited experience selling and marketing Omisirge. To successfully commercialize Omisirge, we will need to develop these capabilities, either on our own or with others. We may establish a larger sales and marketing organization independently or by utilizing experienced third parties with technical expertise and supporting distribution capabilities to commercialize Omisirge in major markets, all of which will be expensive, difficult and time consuming. Any failure or delay in the development of our internal sales, marketing and distribution capabilities would adversely impact our ability to commercialize Omisirge.

Further, our initial estimate of the size of the required sales force may be materially more or less than the size of the sales force actually required to effectively commercialize Omisirge. As such, we may be required to hire sales representatives and third-party partners to adequately support the commercialization of Omisirge, or we may incur excess costs if we hire more sales representatives than necessary. With respect to certain geographical markets, we may enter into collaborations with other entities to utilize their local marketing and distribution capabilities, but we may be unable to enter into such agreements on favorable terms, if at all. We also may enter into collaborations with large pharmaceutical companies to commercialize Omisirge. If our future collaborators do not commit sufficient resources to commercialize Omisirge, if any, and we are unable to develop the necessary marketing capabilities on our own, we will be unable to generate sufficient product revenue to sustain our business. We may compete with companies that currently have extensive and well-funded marketing and sales operations. Without an internal team or the support of a third party to perform marketing and sales functions, we may be unable to compete successfully against these more established companies.

Our efforts to educate the medical community, including physicians, hospital pharmacists and stem cell transplant specialists, and third-party payers on the benefits of Omisirge may require significant resources and may never be successful. If Omisirge fails to achieve market acceptance among physicians, patients or third-party payers, we will not be able to generate significant revenue from Omisirge, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Sales of Omisirge will be limited unless it achieves broad market acceptance by physicians, patients, third-party payers, hospital pharmacists and others in the medical community.

The commercial success of Omisirge will depend upon the acceptance of Omisirge by the medical community, including physicians, patients, healthcare payers and hospital personnel, including transplant teams and pharmacists. The degree of market acceptance will depend on a number of factors, including:

- the demonstration of clinical safety and efficacy of Omisirge in clinical trials;
- the efficacy, potential and perceived advantages of Omisirge over alternative treatments;
- the prevalence and severity of any adverse side effects;
- product labeling or product insert requirements of the FDA or other equivalent foreign regulatory authorities, including any limitations or the black box warning contained in Omisirge's approved labeling;
- distribution and use restrictions imposed by the FDA or other equivalent foreign regulatory authorities agreed to by us as part of a mandatory or voluntary risk management plan;
- our ability to obtain third-party payer coverage and adequate reimbursement for Omisirge;

- the willingness of patients to pay for drugs out of pocket in the absence of third-party coverage;
- the demonstration of the effectiveness of Omisirge in reducing the cost of alternative treatments;
- the strength of marketing and distribution support;
- the timing of market introduction of competitive products;
- the availability of products and their ability to meet market demand; and
- publicity concerning Omisirge or competing products and treatments.

There are a number of alternatives to Omisirge, including stem cell transplantation using cells from matched related donors, matched unrelated donors, mismatched unrelated donors, haploidentical donors or unmodified umbilical cord blood. If Omisirge does not achieve an adequate level of acceptance by physicians, patients, healthcare payers and hospital personnel, including transplant teams and pharmacists, we may not generate sufficient revenue from Omisirge, and we may not become or remain profitable. In addition, our efforts to educate the medical community and third-party payers on the benefits of Omisirge may require significant resources and may never be successful.

It may be difficult for us to profitably sell Omisirge if coverage and reimbursement for Omisirge is limited by government authorities and/or third-party payer policies.

Uncertainty exists as to the coverage and reimbursement status of Omisirge. In the United States and markets in other countries, sales of Omisirge will depend, in part, on the extent to which third-party payers provide coverage, and establish adequate reimbursement levels, for Omisirge. In the United States, third-party payers include federal and state healthcare programs, private managed care providers, health insurers and other organizations.

The process for determining whether a third-party payer will provide coverage for Omisirge may be separate from the process for establishing the reimbursement rate that such a payer will pay for Omisirge. Third-party payers may limit coverage to specific products on an approved list, or also known as a formulary, which might not include all of the FDA-approved products for a particular indication.

Third-party payers are increasingly challenging the price, examining the medical necessity and reviewing the cost-effectiveness of medical products, therapies and services, in addition to questioning their safety and efficacy.

We may need to conduct expensive pharmaco-economic studies in order to demonstrate the medical necessity and cost-effectiveness of Omisirge. Omisirge may not be considered medically necessary or cost-effective. A payer's decision to provide coverage for Omisirge does not imply that an adequate reimbursement rate will be approved. Further, the determination of one payer to provide coverage for Omisirge does not assure that other payers will also provide such coverage for Omisirge. Adequate third-party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment in product development.

Different pricing and reimbursement schemes exist in other countries. In the European Union, pricing and reimbursement schemes vary widely from country to country. The EU provides options for EU Member States to restrict the range of medicinal products for which their national health insurance systems provide reimbursement and to control the prices of medicinal products for human use. An EU Member State may approve a specific price for the medicinal product, it may refuse to reimburse a product at the price set by the manufacturer or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the medicinal product on the market. Other EU Member States allow companies to fix their own prices for products but monitor and control prescription volumes and issue guidance to physicians to limit prescriptions. In addition, some EU Member States provide that products may be marketed only after a reimbursement price has been agreed. Many EU Member States also periodically review their reimbursement procedures for medicinal products, which could have an adverse impact on reimbursement status.

Moreover, in order to obtain reimbursement for our products in some European countries, including some EU Member States, we may required to complete additional studies that compare the cost-effectiveness of a particular product candidate to currently available therapies (so called health technology assessments). This Health Technology Assessment ("HTA") of medicinal products is becoming an increasingly common part of the pricing and reimbursement procedures in some EU Member States, including those representing the larger markets. The HTA process is the procedure to assess therapeutic, economic and societal impact of a given medicinal product in the national healthcare systems of the individual country. The outcome of an HTA will often influence the pricing and reimbursement status granted to these medicinal products by the competent authorities of individual EU Member States. The extent to which pricing and reimbursement decisions are influenced by the HTA of the specific medicinal product currently varies between EU Member States.

Recently, many countries in the EU have increased the amount of discounts required on pharmaceuticals and these efforts could continue as countries attempt to manage healthcare expenditures, especially in light of the severe fiscal and debt crises experienced by many countries in the EU. The downward pressure on healthcare costs in general, particularly prescription products, has become intense. As a result, increasingly high barriers are being erected to the entry of new products. Political, economic, and regulatory developments may further complicate pricing negotiations, and pricing negotiations may continue after reimbursement has been obtained. Reference pricing used by various EU Member States, and parallel trade (arbitrage between low-priced and high-priced EU Member States), can further reduce prices.

The marketability of Omisirge may suffer if the government and third-party payers fail to provide adequate coverage and reimbursement. In addition, emphasis on managed care in the United States has increased and we expect will continue to increase the pressure on healthcare pricing. Coverage policies and third-party reimbursement rates may change at any time. Even if favorable coverage and reimbursement status is attained for Omisirge, less favorable coverage policies and reimbursement rates may be implemented in the future.

In addition to any healthcare reform measures that may affect reimbursement, market acceptance and sales of Omisirge will depend on, in part, the extent to which the procedures utilizing Omisirge, performed by health care providers, will be covered by third-party payers, such as government health care programs, commercial insurance and managed care organizations. In the event health care providers and patients accept Omisirge as medically useful, cost effective and safe, there is uncertainty on how exactly Omisirge will be reimbursed. Third-party payers determine the extent to which new products will be covered as a benefit under their plans and the level of reimbursement for any covered product or procedure that may utilize a covered product. Coverage will be dependent on FDA-approval and other factors; reimbursement may vary across payers which is a risk for our product candidates. Establishment of reimbursement guidelines for products is difficult to predict at this time what third-party payers will decide with respect to the coverage and reimbursement for Omisirge.

A primary trend in the U.S. healthcare industry and elsewhere has been cost containment, including price controls, restrictions on coverage and reimbursement and requirements for substitution of less expensive products. Third-party payers decide which products and procedures they will pay for and establish reimbursement and co-payment levels. Government and other third-party payers are increasingly challenging the prices charged for health care products and procedures, examining the cost effectiveness of procedures, and the products used in such procedures, in addition to their safety and efficacy, and payers limit coverage and reimbursement to the appropriate patient per a products label. We cannot be sure that coverage will be available for Omisirge, or, if coverage is available, the level of direct or indirect reimbursement.

We expect to experience pricing pressures in connection with the sale of Omisirge due to the trend toward managed healthcare, the increasing influence of health maintenance organizations, and additional legislative changes. The downward pressure on healthcare costs in general, particularly prescription drugs and other treatments, has become increasingly intense. As a result, high barriers exist to the successful commercialization of new products. Further, the adoption and implementation of any future governmental cost containment or other health reform initiative may result in additional downward pressure on the price that we may receive for Omisirge.

Reimbursement by a third-party payer may depend upon a number of factors including the third-party payer’s determination that use of Omisirge is:

- a covered benefit or part of a covered benefit under its health plan;
- safe, effective and medically necessary;
- appropriate for the specific patient;
- cost-effective; and
- neither experimental nor investigational.

There is significant uncertainty related to the insurance coverage and reimbursement of newly approved products. In the United States, the principal decisions about reimbursement are typically made by The Centers for Medicare & Medicaid Services, or CMS, an agency within the U.S. Department of Health and Human Services, as CMS decides whether and to what extent products, and the procedures that utilize such products, will be covered and reimbursed under Medicare. Private payers may follow CMS, but have their own methods and approval processes for determining reimbursement for new products and the procedures that utilize such products.

No uniform policy requirement for coverage and reimbursement exists among third-party payers in the United States. Similarly, health care providers enter into participation agreements with third-party payers wherein reimbursement rates are negotiated. Therefore, coverage and reimbursement can differ significantly from payer to payer and health care provider to health care provider. As a result, we cannot be sure that coverage or adequate reimbursement will be available for Omisirge or procedures utilizing Omisirge. Also, we cannot be sure that reimbursement amounts will not reduce the demand for, or the price of, Omisirge. If reimbursement is not available, or is available only to limited levels, we may not be able to commercialize Omisirge or achieve profitably.

Omisirge was granted specific ICD-10-PCS codes which map to DRG-014. In addition, CMS did indicate that Omisirge would be reimbursed as a stem cell source for an allogeneic stem cell transplant, and, therefore would be considered an allogeneic stem cell transplant acquisition cost under 42 CFR 412.113(e)(2)(vii), and Medicare's share will be paid under reasonable cost as a donor source under the Section 108 legislation. As a result, we have withdrawn our NTAP application since the Omisirge reimbursement will be covered under Section 108. There is a risk that CMS may modify their coverage and/or reimbursement approach in the future for new therapies, including for Omisirge.

We are subject to the risk of various legal and regulatory proceedings, including litigation in the ordinary course of business. Our business further entails a significant risk of product liability and our ability to obtain sufficient insurance coverage could have a material effect on our business, financial condition, results of operations or prospects.

In the ordinary course of business, we may become subject to various legal and regulatory proceedings, which may include but are not limited to those involving antitrust, tax, environmental, intellectual property, data privacy and other matters, including general commercial litigation. Any claims raised in legal and regulatory proceedings, whether with or without merit, could be time-consuming and expensive to defend and could divert management's attention and resources. Additionally, the outcome of legal and regulatory proceedings may differ from our expectations because the outcomes of these proceedings are often difficult to predict reliably. Various factors and developments can lead to changes in our estimates of liabilities and related insurance receivables, where applicable, or may require us to make additional estimates, including new or modified estimates that may be appropriate due to a judicial ruling or judgment, a settlement, regulatory developments or changes in applicable law. A future adverse ruling, settlement or unfavorable development could result in charges that could have a material adverse effect on our results of operations in any particular period. In accordance with customary practice, we maintain insurance against some, but not all, of these potential claims. In the future, we may not be able to maintain insurance at commercially acceptable premium levels.

Furthermore, our business exposes us to significant product liability risks inherent in the development, testing, manufacturing and marketing of therapeutic treatments. Product liability claims could delay or prevent completion of our development programs. If we succeed in marketing products, such claims could result in an FDA or comparable foreign regulatory authority investigation of the safety and effectiveness of our products, our manufacturing processes and facilities or our marketing programs and potentially a recall of our products or more serious enforcement action, limitations on the approved indications for which they may be used or suspension, variation or withdrawal of approvals. Regardless of the merits or eventual outcome, liability claims may also result in decreased demand for our products, injury to our reputation, costs to defend the related litigation, a diversion of management's time and our resources, substantial monetary awards to trial participants or patients and a decline in our share price. We do not currently have product liability insurance and do not anticipate obtaining product liability insurance until such time as we have received FDA or other comparable authority approval for a product and there is a product that is being provided to patients outside of clinical trials. Any insurance we have or may obtain may not provide sufficient coverage against potential liabilities. Furthermore, product liability insurance is becoming increasingly expensive. As a result, we may be unable to obtain sufficient insurance at a reasonable cost to protect us against losses caused by product liability claims that could have a material adverse effect on our business.

Omisirge and the administration process may cause undesirable side effects or have other properties that could limit the commercial profile of an approved label or result in significant negative consequences following marketing approval, and result in costly and damaging product liability claims against us.

Undesirable side effects, including toxicity caused by Omisirge, could cause the FDA to withdraw approval of Omisirge for any or all targeted indications.

Drug-related, drug-product related, formulation-related and administration-related side effects result in potential product liability claims, which could exceed our insurance coverage.

Patients who require HSCT are often already in severe and advanced stages of disease and have both known and unknown significant pre-existing and potentially life-threatening health risks. Omisirge may be associated with infusion reactions, graft versus host disease, engraftment syndrome, and graft failure, Infusion reactions occurred following Omisirge infusion, including hypertension, mucosal inflammation, dysphagia, dyspnea, vomiting and gastrointestinal toxicity were reported in 47% (55/117) patients transplanted with Omisirge. Grade 3-4 infusion reactions were reported in 15% (18/117) of patients transplanted with Omisirge. Primary graft failure, defined as failure to achieve an absolute neutrophil count greater than 500 per microliter blood by Day 42 after transplantation, occurred in 3% (4/117) of patients in Omisirge clinical trials. Acute and chronic GvHD, including life-threatening and fatal cases, occurred in patients transplanted with Omisirge. Grade II-IV acute GvHD was reported in 58% (68/117) of patients transplanted with Omisirge. Grade III- IV acute GvHD was reported in 17% (20/117) of patients transplanted with Omisirge. Chronic GvHD occurred in 35% (41/117) of patients transplanted with Omisirge. Two patients treated with Omisirge developed post-transplant lymphoproliferative disorder (PTLD) in the second-year post-transplant. In our first Phase ½ clinical trial of GDA-201, adverse events included one patient who died of E. coli sepsis. Such events could subject us to costly litigation, require us to pay substantial amounts of money to injured patients, delay, negatively impact or end our opportunity to receive or maintain regulatory approval to market our products, or require us to suspend or abandon our commercialization efforts.

Even in a circumstance in which we do not believe that an adverse event is related to our products, the investigation into the circumstance may be time-consuming or inconclusive. For instance, allogeneic bone marrow transplant, the area in which Omisirge is being used, is associated with serious complications, including death. In addition, there are expected toxicities for patients who receive an allogeneic bone marrow transplant, such as infertility. Thus, while not directly associated with Omisirge, there are attendant risks with the space in which our product candidates operate, and any related investigations may interrupt our development and commercialization efforts, delay our regulatory approval process, or impact and limit the type of regulatory approvals our product candidates receive or maintain. As a result of these factors, a product liability claim, even if successfully defended, could have a material adverse effect on our business, financial condition or results of operations.

Additionally, if we or others later identify undesirable side effects caused by Omisirge, a number of potentially significant negative consequences could result, including, but not limited to:

- Regulatory authorities may suspend, vary or withdraw approvals of Omisirge;
- regulatory authorities may require additional warnings on the label in addition to Omisirge's "black box" warning, such as a contraindication;
- additional restrictions may be imposed on the marketing of Omisirge or the manufacturing processes for Omisirge or any component thereof;
- we may be required to create a REMS, or comparable foreign strategies, which could include a medication guide outlining the risks of such side effects for distribution to patients, a communication plan for healthcare providers and/or other elements to assure safe use;
- we may be required to recall Omisirge, change the way Omisirge is administered or conduct additional clinical trials;
- we could be sued and held liable for harm caused to patients;
- Omisirge may become less competitive; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of Omisirge, and could significantly harm our business, results of operations and prospects.

Risks Related to Government Regulation

Omisirge will remain subject to regulatory scrutiny.

Omisirge will be subject to ongoing regulatory requirements for manufacturing, labeling, packaging, storage, advertising, promotion, sampling, record-keeping, conduct of post-marketing studies, and submission of safety, efficacy, and other post- market information, including both federal and state requirements in the United States and European Union and requirements of comparable regulatory authorities.

Manufacturers and manufacturers' facilities are required to comply with extensive requirements from the FDA, EU, national competent authorities of the EU Member States and additional regulatory authorities, including ensuring that quality control and manufacturing procedures conform to cGMP regulations. As such, we and our contract manufacturers will be subject to continual review and inspections, including periodic unannounced inspections by the FDA, competent authorities of EU Member States or other comparable foreign regulatory authorities, to monitor assess and ensure compliance with cGMP and adherence to commitments made in any approved marketing application. Our failure, or the failure of our third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including shutdown of the third-party vendor or invalidation of drug product lots or processes, fines, injunctions, civil penalties, delays, suspension, variation or withdrawal of approvals, license revocation, seizures or recalls of product, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of our product and significantly harm our business, financial condition, results of operations and prospects. Accordingly, we and others with whom we work must continue to expend time, money, and effort in all areas of regulatory compliance, including manufacturing, production, and quality control.

We will have to comply with requirements concerning advertising and promotion for our product. Promotional communications with respect to prescription drugs and biologics are subject to a variety of legal and regulatory restrictions and must be consistent with the information in the product's approved label. As such, we may not promote our products "off-label" for indications or uses for which we do not have approval. The holder of an approved application must submit new or supplemental applications and obtain approval for certain changes to the approved product, product labeling, or manufacturing process. We could also be asked to conduct post-marketing clinical studies to verify the safety and efficacy of our products in general or in specific patient subsets. An unsuccessful post- marketing study or failure to complete such a study could result in the withdrawal of marketing approval.

If a regulatory authority discovers previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, or problems with the facility where the product is manufactured, or disagrees with the promotion, marketing or labeling of a product, such regulatory authority may impose restrictions on that product or us, including requiring withdrawal of the product from the market. If we fail to comply with applicable regulatory requirements, a regulatory authority or enforcement authority may, among other things:

- issue warning letters;
- impose civil or criminal penalties;
- Suspend, vary or withdraw regulatory approval;
- suspend any of our clinical studies;
- refuse to approve pending applications or supplements to approved applications submitted by us;
- impose restrictions on our operations, including closing our contract manufacturers' facilities; or
- seize or detain products, or require a product recall.

Failure to comply with EU and EU Member State laws that apply to the conduct of clinical trials, manufacturing approval, marketing authorization of medicinal products and marketing of such products, both before and after grant of the marketing authorization, or with other applicable regulatory requirements may result in administrative, civil or criminal penalties. These penalties could include delays or refusal to authorize the conduct of clinical trials, or to grant marketing authorization, product withdrawals and recalls, product seizures, suspension, withdrawal or variation of the marketing authorization, total or partial suspension of production, distribution, manufacturing or clinical trials, operating restrictions, injunctions, suspension of licenses, fines and criminal penalties.

Any government investigation of alleged violations of law could require us to expend significant time and resources in response and could generate negative publicity. Any failure to comply with ongoing regulatory requirements may significantly and adversely affect our ability to commercialize and generate revenue from our products. If regulatory sanctions are applied or if regulatory approval is withdrawn, the value of our company and our operating results will be adversely affected.

Moreover, the policies of the FDA and of other equivalent foreign regulatory authorities may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates.

We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative or executive action, either in the United States or abroad. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained and we may not achieve or sustain profitability.

We may be unable to maintain the benefits associated with orphan drug designations that we have obtained, including market exclusivity, which may cause our revenue, if any, to be reduced.

We obtained orphan drug designation for Omisirge from the FDA and the European Commission for the treatment of hematologic malignancies, and we may pursue orphan drug designation for certain of our future product candidates. Under the Orphan Drug Act, the FDA may designate a drug or biologic product as an orphan drug if it is intended to treat a rare disease or condition, defined as a patient population of fewer than 200,000 in the United States, or a patient population greater than 200,000 in the United States where there is no reasonable expectation that the cost of developing the drug will be recovered from sales in the United States. In the European Union, the European Commission, following the EMA's Committee for Orphan Medicinal Products, or COMP, opinion, grants orphan drug designation to promote the development of products that are intended for the diagnosis, prevention, or treatment of a life-threatening or chronically debilitating condition either (i) affecting not more than five in 10,000 persons in the European Union or (ii) without the benefits derived from orphan sales of the drug in the European Union would be insufficient to justify the necessary investment in developing the drug or biological product. In addition,there must be no satisfactory method of diagnosis, prevention, or treatment of the condition that has been authorized in the EU, or, if such a method exists, the medicine must be of significant benefit to those affected by the condition.

In the United States, orphan drug designation entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages, and application fee waivers. In addition, if a product receives the first FDA approval for the indication for which it has orphan designation, the product is entitled to orphan drug exclusivity, which means the FDA may not approve any other application to market the same drug for the same indication for a period of seven years, except in limited circumstances, such as a showing of clinical superiority over the product with orphan exclusivity or where the manufacturer is unable to assure sufficient product quantity the orphan patient population. In the European Union, orphan drug designation entitles a party to financial incentives such as reduction of fees or fee waivers and, potentially, ten years of market exclusivity following the granting of marketing authorization. The period of market exclusivity is extended by two years for orphan medicinal products that have also complied with an agreed PIP. However, this period may be reduced to six years if, if at the end of the fifth year, the orphan drug designation criteria are no longer met, including where it is shown that the product is sufficiently profitable not to justify maintenance of market exclusivity or where the prevalence of the condition has increased above the threshold.

Even though we obtained orphan drug designation for Omisirge from the FDA for the treatment of hematologic malignancies and from the European Commission for allogeneic ex-vivo-expanded umbilical cord blood-derived haematopoietic CD34+ progenitor cells and allogeneic non-expanded umbilical cord blood-derived haematopoietic mature myeloid and lymphoid cells (also known as NiCord), orphan drug exclusivity may not effectively protect Omisirge from competition because different drugs with different active moieties can be approved for the same condition. Even after an orphan drug is approved, the FDA or European Commission can subsequently approve the same drug with the same active moiety for the same condition if the FDA or European Commission concludes that the later drug is clinically superior in that it is safer, more effective, or makes a major contribution to patient care. Orphan drug designation neither shortens the development time or regulatory review time of a drug or biologic nor gives the drug or biologic any advantage in the regulatory review or approval process.

Enacted and future healthcare legislation may affect the prices we may set for Omisirge.

In the United States, the European Union and other jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes and proposed changes to the healthcare system that could affect our future results of operations. In particular, there have been and continue to be a number of initiatives at the U.S. federal and state levels that seek to reduce healthcare costs and improve the quality of healthcare. For example, in March 2010, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, or collectively the PPACA, was enacted, which substantially changed the way healthcare is financed by both governmental and private payers. Among the provisions of the PPACA, those of greatest importance to the pharmaceutical and biotechnology industries include the following: imposed new fees on entities that manufacture or import certain branded prescription drugs; expanded pharmaceutical manufacturer obligations to provide discounts and rebates to certain government programs; implemented a licensure framework for follow-on biologic products; expanded health care fraud and abuse laws; revised the methodology by which rebates owed by manufacturers to the state and federal government under the Medicaid Drug Rebate Program are calculated for certain drugs and biologics, including products that are inhaled, infused, instilled, implanted or injected; imposed an additional rebate similar to an inflation penalty on new formulations of drugs; extended the Medicaid Drug Rebate Program to utilization of prescriptions of individuals enrolled in Medicaid managed care organizations; expanded the 340B program which caps the price at which manufacturers can sell covered outpatient pharmaceuticals to specified hospitals, clinics and community health centers; and provided incentives to programs that increase the federal government's comparative effectiveness research.

There have been judicial and Congressional challenges to certain aspects of the PPACA. For example, the Tax Cuts and Jobs Act of 2017, or Tax Act, included a provision repealing, effective January 1, 2019, the tax-based shared responsibility payment imposed by the PPACA on certain individuals who fail to maintain qualifying health coverage for all or part of a year that is commonly referred to as the "individual mandate". On June 17, 2021, the U.S. Supreme Court dismissed a challenge on procedural grounds that argued the PPACA is unconstitutional in its entirety because the "individual mandate" was repealed by Congress. Further, there have been a number of health reform measures by the Biden administration that have impacted the PPACA. For example, on August 16, 2022, President Biden signed the Inflation Reduction Act of 2022, or IRA, into law, which among other things, extends enhanced subsidies for individuals purchasing health insurance coverage in PPACA marketplaces through plan year 2025. The IRA also eliminates the "donut hole" under the Medicare Part D program beginning in 2025 by significantly lowering the beneficiary maximum out-of-pocket cost and by creating a new manufacturer discount program. It is possible that the PPACA will be subject to judicial or Congressional challenges in the future. It is unclear how such challenges and the healthcare reform measures of the Biden administration will impact the PPACA and our business.

In addition, other legislative changes have been proposed and adopted in the United States since the PPACA was enacted. In August 2011, the Budget Control Act of 2011, among other things, led to aggregate reductions of Medicare payments to providers of 2% per fiscal year. These reductions went into effect in April 2013 and, due to subsequent legislative amendments to the statute, will remain in effect until 2032, unless additional action is taken by Congress. In January 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several types of providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. These new laws or any other similar laws introduced in the future may result in additional reductions in Medicare and other health care funding, which could negatively affect our customers and accordingly, our financial operations.

Moreover, payment methodologies are subject to changes in healthcare legislation and regulatory initiatives. For example, CMS has developed value-based payment models for a variety of care settings, including the inpatient prospective payment system used for reimbursing inpatient hospital services. In addition, recently there has been heightened governmental scrutiny over the manner in which manufacturers set prices for their marketed products, which has resulted in several U.S. Presidential executive orders, Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to drug pricing, reduce the cost of prescription drugs under government payer programs, and review the relationship between pricing and manufacturer patient programs. For example, in July 2021, the Biden administration released an executive order, "Promoting Competition in the American Economy," with multiple provisions aimed at prescription drugs. In response to Biden's executive order, on September 9, 2021, the Department of Health and Human Services, or HHS, released a Comprehensive Plan for Addressing High Drug Prices that outlines principles for drug pricing reform and sets out a variety of potential legislative policies that Congress could pursue as well as potential administrative actions HHS can take to advance these principles. In addition, the IRA, among other things, (i) directs the Secretary of HHS to negotiate the price of certain high-expenditure, single-source drugs and biologics covered under Medicare Part B and Medicare Part D, and subjects drug manufacturers to civil monetary penalties and a potential excise tax by offering a price that is not equal to or less than the negotiated "maximum fair price" under the law, and (ii) imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation. The IRA permits HHS to implement many of these provisions through guidance, as opposed to regulation, for the initial years. HHS has and will continue to issue and update guidance as these programs are implemented. These provisions take effect progressively starting in fiscal year 2023. On August 29, 2023, HHS announced the list of the first ten drugs that will be subject to price negotiations, although the Medicare drug price negotiation program is currently subject to legal challenges. In addition, in response to the Biden administration's October 2022 executive order, on February 14, 2023, HHS released a report outlining three new models for testing by the Center for Medicare and Medicaid Innovation which will be evaluated on their ability to lower the cost of drugs, promote accessibility, and improve quality of care. It is unclear whether the models will be utilized in any health reform measures in the future. Further, on December 7, 2023, the Biden administration announced an initiative to control the price of prescription drugs through the use of march-in rights under the Bayh-Dole Act. On December 8, 2023, the National Institute of Standards and Technology published for comment a Draft Interagency Guidance Framework for Considering the Exercise of March-In Rights which for the first time includes the price of a product as one factor an agency can use when deciding to exercise march-in rights. While march-in rights have not previously been exercised, it is uncertain if that will continue under the new framework.

We expect that additional U.S. federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that the U.S. federal government will pay for healthcare products and services, which could result in reduced demand for Omisirge or additional pricing pressures.

Individual states in the United States have also increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. For example, on January 5, 2024, the FDA approved Florida's Section 804 Importation Program (SIP) proposal to import certain drugs from Canada for specific state healthcare programs. It is unclear how this program will be implemented, including which drugs will be chosen, and whether it will be subject to legal challenges in the United States or Canada. Other states have also submitted SIP proposals that are pending review by the FDA. Any such approved importation plans, when implemented, may result in lower drug prices for products covered by those programs. Legally mandated price controls on payment amounts by third- party payers or other restrictions could harm our business, results of operations, financial condition and prospects. In addition, regional healthcare authorities and individual hospitals are increasingly using bidding procedures to determine what pharmaceutical products and which suppliers will be included in their prescription drug and other healthcare programs. This could reduce the ultimate demand for our product candidates or put pressure on our product pricing.

In the European Union, similar political, economic and regulatory developments may affect our ability to profitably commercialize our product candidates, if approved. In addition to continuing pressure on prices and cost containment measures, legislative developments at the European Union or member state level may result in significant additional requirements or obstacles that may increase our operating costs. The delivery of healthcare in the European Union, including the establishment and operation of health services and the pricing and reimbursement of medicines, is almost exclusively a matter for national, rather than European Union, law and policy. National governments and health service providers have different priorities and approaches to the delivery of health care and the pricing and reimbursement of products in that context. In general, however, the healthcare budgetary constraints in most European Union member states have resulted in restrictions on the pricing and reimbursement of medicines by relevant health service providers. Any increase in European Union and national regulatory burdens on those wishing to develop and market products could prevent or delay marketing approval of our product candidates, restrict or regulate post- approval activities and affect our ability to commercialize our product candidates, if approved. In markets outside of the United States and European Union, reimbursement and healthcare payment systems vary significantly by country, and many countries have instituted price ceilings on specific products and therapies.

We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action in the United States, the European Union or any other jurisdiction. If we or any third parties we may engage are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we or such third parties are not able to maintain regulatory compliance, our product candidates may lose any regulatory approval that may have been obtained and we may not achieve or sustain profitability.

Our business operations and current and future relationships with healthcare professionals, consultants, third-party payers, patient organizations and customers will be subject to applicable healthcare regulatory laws, which could expose us to penalties.

Our business operations and current and future arrangements with healthcare professionals, consultants, third-party payers, patient organizations and customers, may expose us to broadly applicable fraud and abuse, privacy and security and other healthcare laws and regulations. These laws may constrain the business or financial arrangements and relationships through which we conduct our operations, including how we research, market, sell and distribute our product candidates, if approved. Such laws include:

- the U.S. federal Anti-Kickback Statute, which prohibits, among other things, persons or entities from knowingly and willfully soliciting, offering, receiving or providing any remuneration (including any kickback, bribe, or certain rebate), directly or indirectly, overtly or covertly, in cash or in kind, to induce or reward, or in return for, either the referral of an individual for, or the purchase, lease, order or recommendation of, any good, facility, item or service, for which payment may be made, in whole or in part, under any U.S. federal healthcare program, such as Medicare and Medicaid. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;

- the U.S. federal civil and criminal false claims, including the civil False Claims Act, which prohibit, among other things, including through civil whistleblower or qui tam actions, and civil monetary penalties laws which prohibit individuals or entities from knowingly presenting, or causing to be presented, to the U.S. federal government, claims for payment or approval that are false or fraudulent, knowingly making, using or causing to be made or used, a false record or statement material to a false or fraudulent claim, or from knowingly making a false statement to avoid, decrease or conceal an obligation to pay money to the U.S. federal government. Pharmaceutical manufacturers can cause false claims to be presented to the U.S. federal government by engaging in impermissible marketing practices, such as the off-label promotion of a product for an indication for which it has not received FDA approval. In addition, the government may assert that a claim including items and services resulting from a violation of the U.S. federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the civil False Claims Act;

- the Health Insurance Portability and Accountability Act, or HIPAA, which imposes criminal and civil liability for, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, or knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false statement, in connection with the delivery of, or payment for, healthcare benefits, items or services. Similar to the U.S. federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the healthcare fraud statute implemented under HIPAA or specific intent to violate it in order to have committed a violation;

- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, or HITECH, and its implementing regulations, which also imposes certain obligations, including mandatory contractual terms, with respect to safeguarding the privacy and security of individually identifiable health information of covered entities subject to the rule, such as health plans, healthcare clearinghouses and certain healthcare providers, as well as their business associates, independent contractors of a covered entity that perform certain services involving the use or disclosure of individually identifiable health information on their behalf and their subcontractors that use, disclose, access, or otherwise process individually identifiable health information;

- the Food Drug and Cosmetic Act, or the FDCA, which prohibits, among other things, the adulteration or misbranding of drugs, biologics and medical devices;

- the U.S. Public Health Service Act, which prohibits, among other things, the introduction into interstate commerce of a biological product unless a biologics license is in effect for that product;

- the U.S. Physician Payments Sunshine Act and its implementing regulations, which requires certain manufacturers of drugs, devices, biologics and medical supplies that are reimbursable under Medicare, Medicaid, or the Children's Health Insurance Program, with specific exceptions, to report annually to the government information related to certain payments and other transfers of value to physicians (defined to include doctors, dentists, optometrists, podiatrists, and chiropractors), certain other healthcare professionals (such as physician assistants and nurse practitioners), and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members;

- analogous U.S. state laws and regulations, including: state anti-kickback and false claims laws, which may apply to our business practices, including but not limited to, research, distribution, sales and marketing arrangements and claims involving healthcare items or services reimbursed by any third-party payer, including private insurers; state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the U.S. federal government, or otherwise restrict payments that may be made to healthcare providers and other potential referral sources; state laws and regulations that require drug manufacturers to file reports relating to pricing and marketing information, which requires tracking gifts and other remuneration and items of value provided to healthcare professionals and entities; state and local laws requiring the registration of pharmaceutical sales representatives; and state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts; the U.S. Foreign Corrupt Practices Act of 1977, as amended, which prohibits, among other things, U.S. companies and their employees and agents from authorizing, promising, offering, or providing, directly or indirectly, corrupt or improper payments or anything else of value to non-U.S. government officials, employees of public international organizations and non-U.S. government owned or affiliated entities, candidates for non-U.S. political office, and non-U.S. political parties or officials thereof; and

- similar healthcare laws and regulations in the European Union and other jurisdictions, including reporting requirements detailing interactions with and payments to healthcare providers.

Outside the United States, interactions between pharmaceutical companies and health care professionals are also governed by strict laws, such as national anti-bribery laws of European countries, national sunshine rules, regulations, industry self-regulation codes of conduct and physicians' codes of professional conduct. Failure to comply with these requirements could result in reputational risk, public reprimands, administrative penalties, fines or imprisonment.

Ensuring that our internal operations and future business arrangements with third parties comply with applicable healthcare laws and regulations will involve substantial costs. It is possible that governmental authorities will conclude that our business practices do not comply with current or future statutes, regulations, agency guidance or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of the laws described above or any other governmental laws and regulations that may apply to us, we may be subject to significant penalties, including civil, criminal and administrative penalties, damages, fines, exclusion from government-funded healthcare programs, such as Medicare and Medicaid or similar programs in other countries or jurisdictions, integrity oversight and reporting obligations to resolve allegations of non-compliance, disgorgement, individual imprisonment, contractual damages, reputational harm, diminished profits and the curtailment or restructuring of our operations. If any of the physicians or other providers or entities with whom we expect to do business are found to not be in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs and imprisonment, which could affect our ability to operate our business. Further, defending against any such actions can be costly, time-consuming and may require significant personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired.

Legislative or regulatory healthcare reforms in the United States and abroad may make it more difficult and costly for us to produce, market and distribute our products after clearance or approval is obtained.

From time to time, legislation is drafted and introduced in Congress that could significantly change the statutory provisions governing the manufacture and marketing of regulated products or the reimbursement thereof. In addition, FDA regulations and guidance are often revised or reinterpreted by the FDA in ways that may significantly affect our business and our products. We cannot determine what effect changes in regulations, statutes, legal interpretation or policies, when and if promulgated, enacted or adopted may have on our business in the future. Such changes could, among other things, require changes to manufacturing methods; recall, replacement, or discontinuance of Omisirge; and additional recordkeeping.

We face competition from other biotechnology and pharmaceutical companies, and our operating results will suffer if we fail to compete effectively.

The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. We face competition from major multinational pharmaceutical companies, established and early-stage biotechnology companies, and universities and other research institutions. Many of our competitors have greater financial and other resources, such as larger research and development staff and more experienced marketing and manufacturing organizations. Large pharmaceutical companies, in particular, have extensive experience in clinical testing, obtaining regulatory approvals, recruiting patients and manufacturing pharmaceutical products. These companies also have significantly greater research, sales and marketing capabilities and collaborative arrangements in our target markets with leading companies and research institutions.

Established pharmaceutical companies may also invest heavily to accelerate discovery and development of novel therapeutics or to in-license novel therapeutics that could make the product candidates that we develop obsolete. As a result of all of these factors, our competitors may succeed in obtaining patent protection or FDA approval or discovering, developing and commercializing treatments in the rare disease indications that we are targeting before we do. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large, established companies.

Doctors may recommend that patients undergo stem cell transplantation using cells from matched related donors, matched or mismatched unrelated donors, haploidentical donors or unmodified umbilical cord blood instead of using Omisirge or may choose other therapy options instead of our other NAM-derived product candidates. In addition, there are several clinical-stage development programs that seek to improve umbilical cord blood transplantation through the use of ex vivo expansion technologies to increase the quantity of hematopoietic stem cells for use in HSCT or the use of ex vivo differentiation technologies to increase the quantity of hematopoietic progenitor cells for use in HSCT. We are aware of several other companies with product candidates in various stages of development for allogeneic HSCT grafts, including but not limited to ExCellThera and Garuda Therapeutics. In addition, many universities and private and public research institutes may develop technologies of interest to us but license them to our competitors. Our competitors may succeed in developing, acquiring or licensing on an exclusive basis, technologies and drug products that are more effective or less costly than Omisirge or any other product candidates that we are currently developing or that we may develop, which could render our products obsolete and noncompetitive.

We believe that our ability to successfully compete will depend on, among other things:

- our ability to protect, develop and maintain intellectual property rights related to our product;
- our ability to maintain a good relationship with regulatory authorities;
- our ability to commercialize and market any of our product candidates that receive regulatory approval;
- market perception and acceptance of stem cell therapeutics;
- acceptance of our product by physicians and institutions that perform HSCT procedures;
- the price of our product;
- coverage and adequate levels of reimbursement under private and governmental health insurance plans, including Medicare; and
- our ability to manufacture and sell commercial quantities of Omisirge to the market.

If our competitors market products that are more effective, safer or less expensive than Omisirge, we may not achieve commercial success. Any inability to successfully compete effectively will adversely impact our business and financial prospects.

Even though Omisirge is approved by the FDA for marketing in the United States, we may never obtain approval of Omisirge outside of the United States, which would limit our market opportunities and adversely affect our business.

Approval of a product candidate in the United States by the FDA does not ensure approval of such product candidate by regulatory authorities in other countries or jurisdictions, and approval by non-U.S. regulatory authority does not ensure approval by regulatory authorities in other countries or by the FDA. Sales of Omisirge or our other product candidates outside of the United States will be subject to the regulatory requirements of other jurisdictions governing clinical trials and marketing approval. Even if the FDA grants marketing approval for a product candidate, comparable regulatory authorities in other countries also must approve the manufacturing and marketing of the product candidate in those countries. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from, and more onerous than, those in the United States, including additional preclinical studies or clinical trials. In many countries outside the United States, a product candidate must be approved for reimbursement before it can be approved for sale in that country. In some cases, the price that we intend to charge for our product candidates, if approved, is also subject to approval.

Even if a product candidate is approved in another country, the applicable regulatory authority may limit the indications for which the product may be marketed, require extensive warnings on the product labeling or require expensive and time-consuming additional clinical trials or reporting as conditions of approval. Regulatory authorities in countries outside of the United States and the European Union also have requirements for approval of product candidates with which we must comply prior to marketing in those countries. Obtaining non-U.S. regulatory approvals and compliance with non-U.S. regulatory requirements could result in significant delays, difficulties and costs for us and could delay or prevent the introduction of our product candidates in certain countries.

Further, clinical trials conducted in one country may not be accepted by regulatory authorities in other countries. Also, regulatory approval for a product candidate may be withdrawn. If we fail to comply with the regulatory requirements, our target market will be reduced and our ability to realize the full market potential of Omisirge or our other product candidates will be harmed and our business, financial condition, results of operations and prospects will be adversely affected.

The misuse or off-label use of our products may harm our reputation in the marketplace, result in injuries that lead to product liability suits or result in costly investigations, fines or sanctions by regulatory bodies if we are deemed to have engaged in the promotion of these uses, any of which could be costly to our business.

In the United States, we obtained marketing approval for Omisirge for use in adult and pediatric patients 12 years and older with hematologic malignancies who are planned for umbilical cord blood transplantation following myeloablative conditioning to reduce the time to neutrophil recovery and the incidence of infection. We will train our Omisirge marketing and sales personnel to not promote Omisirge for any other uses outside of any FDA-cleared indications for use, known as "off-label use."

We cannot, however, prevent a physician from using Omisirge off-label, when in the physician's independent professional medical judgment, he or she deems it appropriate. As a result, there may be increased risk of injury to patients if physicians attempt to use Omisirge for these uses for which they are not approved. Furthermore, the use Omisirge for indications other than those approved by the FDA or any non-U.S. regulatory body may not effectively treat such conditions, which could harm our reputation in the marketplace among physicians and patients.

If the FDA, the national competent authorities of the EU Member States any other regulatory body in a jurisdiction in which we operate determines that our promotional materials or training constitute promotion of an off-label use, it could request that we modify our training or promotional materials or subject us to regulatory or enforcement actions, including the issuance or imposition of an untitled letter, which is used for violators that do not necessitate a warning letter, injunction, seizure, civil fine or criminal penalties. It is also possible that other federal, state or non-U.S. enforcement authorities might take action under other regulatory authority, such as false claims laws, if they consider our business activities to constitute promotion of an off-label use, which could result in significant penalties, including, but not limited to, criminal, civil and administrative penalties, damages, fines, disgorgement, exclusion from participation in government healthcare programs and the curtailment of our operations.

We are subject to stringent and evolving United States and foreign laws, regulations and rules, contractual obligations, industry standards, policies and other obligations related to data privacy and security. Our actual or perceived failure to comply with such obligations could lead to regulatory investigations or actions; litigation (including class claims) and mass arbitration demands; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; loss of customers or sales; and other adverse business consequences.

In the ordinary course of business, we collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect, secure, dispose of, transmit, and share (collectively, process) personal data and other sensitive data, including proprietary and confidential business data, trade secrets, intellectual property, data we collect about trial participants in connection with clinical trials, and sensitive third-party data (collectively, sensitive information). Our data processing activities subject us to numerous data privacy and security obligations, such as various laws, regulations, guidance, industry standards, external and internal privacy and security policies, contractual requirements, and other obligations relating to data privacy and security.

In the United States, federal, state, and local governments have enacted numerous data privacy and security laws, including data breach notification laws, personal data privacy laws, consumer protection laws (e.g., Section 5 of the Federal Trade Commission Act), and other similar laws (e.g., wiretapping laws). For example, the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH"), imposes specific requirements relating to the privacy, security, and transmission of individually identifiable protected health information. In the past few years, numerous U.S. states—including California, Virginia, Colorado, Connecticut, and Utah—have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices and affording residents with certain rights concerning their personal data. As applicable, such rights may include the right to access, correct, or delete certain personal data, and to opt-out of certain data processing activities, such as targeted advertising, profiling, and automated decision-making. The exercise of these rights may impact our business and ability to provide our products and services. Certain states also impose stricter requirements for processing certain personal data, including sensitive information, such as conducting data privacy impact assessments. These state laws allow for statutory fines for noncompliance. For example, the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020 ("CPRA"), (collectively, "CCPA") applies to personal data of consumers, business representatives, and employees who are California residents, and requires businesses to provide specific disclosures in privacy notices and honor requests of such individuals to exercise certain privacy rights. The CCPA provides for fines of up to $7,500 per intentional violation and allows private litigants affected by certain data breaches to recover significant statutory damages. Although the CCPA exempts some data processed in the context of clinical trials, the CCPA increases compliance costs and potential liability with respect to other personal data we maintain about California residents. similar laws are being considered in several other states, as well as at the federal and local levels, and we expect more states to pass similar laws in the future. While these states, like the CCPA, also exempt some data processed in the context of clinical trials, these developments further complicate compliance efforts, and increase legal risk and compliance costs for us, the third parties upon whom we rely, and our customers.

Outside the United States, an increasing number of laws, regulations, and industry standards govern data privacy and security. For example, the European Union's General Data Protection Regulation ("EU GDPR"), the United Kingdom's GDPR ("UK GDPR"), Brazil's General Data Protection Law (Lei Geral de Proteção de Dados Pessoais, or "LGPD") (Law No. 13,709/2018), Israel's Protection of Privacy Law, Singapore's Personal Data Protection Act impose strict requirements for processing personal data.

'For example, under the GDPR, companies may face temporary or definitive bans on data processing and other corrective actions; fines of up to 20 million Euros under the EU GDPR, 17.5 million pounds sterling under the UK GDPR or, in each case, 4% of annual global revenue, whichever is greater; or private litigation related to processing of personal data brought by classes of data subjects or consumer protection organizations authorized at law to represent their interests. In the ordinary course of business, we may transfer personal data from Europe and other jurisdictions to the United States or other countries. Europe and other jurisdictions have enacted laws requiring data to be localized or limiting the transfer of personal data to other countries. In particular, the European Economic Area ("EEA") and the United Kingdom ("UK") have significantly restricted the transfer of personal data to the United States and other countries whose privacy laws it generally believes are inadequate. Other jurisdictions may adopt similarly stringent interpretations of their data localization and cross-border data transfer laws. Although there are currently various mechanisms that may be used to transfer personal data from the EEA and UK to the United States in compliance with law, such as the EEA' standard contractual clauses, the UK's International Data Transfer Agreement / Addendum, and the EU-US Data Privacy Framework and the UK extension thereto (which allows for transfers to relevant U.S.-based organizations who self-certify compliance and participate in the Framework), these mechanisms are subject to legal challenges, and there is no assurance that we can satisfy or rely on these measures to lawfully transfer personal data to the United States. If there is no lawful manner for us to transfer personal data from the EEA, the UK or other jurisdictions to the United States, or if the requirements for a legally compliant transfer are too onerous, we could face significant adverse consequences, including the interruption or degradation of our operations, the need to relocate part of or all of our business or data processing activities to other jurisdictions (such as Europe) at significant expense, increased exposure to regulatory actions, substantial fines and penalties, the inability to transfer data and work with partners, vendors and other third parties, and injunctions against our processing or transferring of personal data necessary to operate our business. Additionally, companies that transfer personal data out of the EEA and UK to other jurisdictions, particularly to the United States, are subject to increased scrutiny from regulators, individual litigants, and activist groups. Some European regulators have ordered certain companies to suspend or permanently cease certain transfers out of Europe for allegedly violating the ' GDPR's cross-border data transfer limitations. In addition to data privacy and security laws, we are contractually subject to industry standards adopted by industry groups and, we are, or may become subject to such obligations in the future. We are also bound by contractual obligations related to data privacy and security, and our efforts to comply with such obligations may not be successful. For example, certain privacy laws, such as the GDPR, require our customers to impose specific contractual restrictions on their service providers.

We publish privacy policies, marketing materials and other statements, such as compliance with certain certifications or self-regulatory principles, regarding data privacy and security. If these policies, materials, or statements are found to be deficient, lacking in transparency, deceptive, unfair, or misrepresentative of our practices, we may be subject to investigation, enforcement actions by regulators or other adverse consequences. Obligations related to data privacy and security (and consumers' data privacy expectations) are quickly changing, becoming increasingly stringent, and creating uncertainty.

Additionally, these obligations may be subject to differing applications and interpretations, which may be inconsistent or conflict among jurisdictions. Preparing for and complying with these obligations requires us to devote significant resources, which may necessitate changes to our services, information technologies, systems, and practices and to those of any third parties that process personal data on our behalf.

We may at times fail (or be perceived to have failed) in our efforts to comply with our data privacy and security obligations. Moreover, despite our efforts, our personnel or third parties on whom we rely on may fail to comply with such obligations, which could negatively impact our business operations. If we or the third parties on which we rely fail, or are perceived to have failed, to address or comply with applicable data privacy and security obligations, we could face significant consequences, including but not limited to: government enforcement actions (e.g., investigations, fines, penalties, audits, inspections, and similar); litigation (including class-action claims) and mass arbitration demands; additional reporting requirements and/or oversight; bans on processing personal data; orders to destroy or not use personal data; and imprisonment of company officials. In particular, plaintiffs have become increasingly more active in bringing privacy-related claims against companies, including class claims and mass arbitration demands. Some of these claims allow for the recovery of statutory damages on a per violation basis, and, if viable, carry the potential for monumental statutory damages, depending on the volume of data nda the number of violations. Any of these events could have a material adverse effect on our reputation, business, or financial condition, including but not limited to: loss of customers; interruptions or stoppages in our business operations (including clinical trials); inability to process personal data or to operate in certain jurisdictions; limited ability to develop or commercialize our products; expenditure of time and resources to defend any claim or inquiry; adverse publicity; or substantial changes to our business model or operations.

Risks Related to our Reliance on Third Parties

We rely on a limited number of suppliers to provide the raw materials other than cord blood (serum and growth factor) needed to produce our product candidates. We have a relationship with a single supplier, Miltenyi Biotec GmbH, for certain equipment (columns and beads) necessary to manufacture our product candidates.

We do not have any control over the availability of these raw materials or pieces of equipment. If we or our providers are unable to purchase these raw materials or equipment on acceptable terms, at sufficient quality levels, or in adequate quantities, if at all, the development and commercialization of our product candidates or any future product candidates, could be delayed or there could be a shortage in supply, which could impair our ability to meet our development objectives for our product candidates or generate revenue from the sale of any approved products.

Even following our establishment of our own planned cGMP-compliant manufacturing capabilities, we intend to continue to rely on third-party suppliers for these raw materials and pieces of equipment, which will expose us to risks including:

- failure of any supplier to become or maintain its status as a cGMP-compliant manufacturer of raw materials, which status is a prerequisite to our attainment of a BLA for Omisirge and our other product candidate;
- termination or nonrenewal of supply or service agreements with third parties in a manner or at a time that is costly or damaging to us; and
- disruptions to the operations of our third-party suppliers and service providers caused by conditions unrelated to our business or operations, including the bankruptcy of the supplier or service provider.

Our reliance on third parties requires us to share our trade secrets and other intellectual property, which increases the possibility that a competitor will discover them or that our trade secrets and other intellectual property will be misappropriated or disclosed.

Because we rely on third parties to provide us with the materials that we use to develop and manufacture Omisirge, we may, at times, share trade secrets and other intellectual property with such third parties. We seek to protect our proprietary technology in part by entering into confidentiality agreements and, if applicable, material transfer agreements, collaborative research agreements, consulting agreements, or other similar agreements with our collaborators, advisors, employees and consultants prior to beginning research or disclosing proprietary information. These agreements typically limit the rights of the third parties to use or disclose our confidential information, such as trade secrets and intellectual property. Despite the contractual provisions employed when working with third parties, the need to share trade secrets and other confidential information increases the risk that such trade secrets become known by our competitors, are inadvertently incorporated into the technology of others, or are disclosed or used in violation of these agreements. Given that our proprietary position is based, in part, on our know-how and trade secrets, a competitor's discovery of our trade secrets or other unauthorized use or disclosure would impair our competitive position and may have a material adverse effect on our business.

Despite our efforts to protect our trade secrets, our competitors or other third parties may discover our trade secrets, either through breach of these agreements, independent development or publication of information including our trade secrets by third parties. A competitor's or other third party's discovery of our trade secrets would impair our competitive position and have an adverse impact on our business, financial condition, results of operations and prospects.

We face a variety of challenges and uncertainties associated with our dependence on the availability of human umbilical cord blood units, or CBUs, at cord blood banks for the manufacture of Omisirge.

CBUs are one of the raw materials for the manufacture of Omisirge. The CBUs currently used in the manufacture of Omisirge are procured directly by the clinical cell processing facilities from cord blood banks, which hold more than 800,000 CBUs that have been donated, processed and cryopreserved. However, the availability of CBUs for the manufacture of Omisirge depends on a number of regulatory, political, economic and technical factors outside of our control, including:

- government policies relating to the regulation of CBUs for clinical use;

- the availability of government funding for cord blood banks;
- pregnancy and birth rates, and the willingness of mothers to consent to the donation of CBUs and the terms of such consent;
- individual cord blood bank policies and practices relating to CBU acquisition and banking;
- the pricing of CBUs;
- the methods used in searching for and matching CBUs to patients, which involve emerging technology related to current and future CBU parameters that guide the selection of an appropriate CBU for transplantation; and
- methods for the procurement and shipment of CBUs and their handling and storage at clinical sites, any or all of which may have been complicated by public health policies aimed at slowing the spread of the COVID-19 virus.

Additionally, we do not have control over the types of CBUs used in the manufacture of Omisirge. We rely heavily on these clinical cell processing facilities to procure CBUs from cord blood banks that are compliant with government regulations and within the current standard of care. In addition, we may identify specific characteristics of CBUs, such as their volume and red blood cell content, that may limit their ability to be used to manufacture Omisirge even though these CBUs may otherwise be suitable for use in allogeneic transplant. As a result, the requirement for CBUs to meet our specifications may limit the potential inventory of CBUs eligible for use in the manufacture of Omisirge. There is a large variability in the tests, methods and equipment utilized by cord blood banks in testing CBUs before storage. This could result in CBUs that are found to be unsuitable for production after their arrival at the manufacturing site. In the United States, cord blood banks are required to file a BLA and meet certain continued regulatory requirements in order to bank and provide CBUs for transplantation. Despite these requirements, most of the cord blood banks in the United States are not licensed. While the FDA currently allows CBUs from unlicensed cord blood banks to be used for transplantation and we have used CBUs from such facilities in the manufacture of Omisirge for our clinical trials, the FDA may later prohibit the use of such CBUs for transplantation. Additionally, although CBUs from non-U.S. cord blood banks, which are generally unlicensed, are currently available in the United States for use in transplantation and we have used CBUs from non-U.S. cord blood banks in our clinical trials, we will not be able to use cord blood from non-U.S. cord blood banks for the manufacturing of Omisirge. Any inability to procure adequate supplies of CBUs will adversely impact our ability to develop and commercialize Omisirge.

Risks Related to Our Intellectual Property

If we are unable to obtain, maintain or protect intellectual property rights related to Omisirge, we may not be able to compete effectively in our market.

We rely upon a combination of patents, trade secret protection and confidentiality agreements to protect the intellectual property related to our technologies and product candidates. Our success depends in large part on our ability to obtain and maintain patent and other intellectual property protection in the United States and in other countries with respect to our proprietary technology and product candidates.

We have sought to protect our proprietary position by filing patent applications in the United States and in other countries, with respect to our novel technologies and product candidates, which are important to our business. Patent prosecution is expensive and time consuming. We may not be able to prepare, file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner or in all jurisdictions. It is also possible that we will fail to identify patentable aspects of our research and development activities before it is too late to obtain patent protection.

Further, the patent position of biopharmaceutical companies generally is highly uncertain and involves complex legal and factual questions for which legal principles remain unsettled. This renders the patent prosecution process particularly expensive and time-consuming. There is no assurance that all potentially relevant prior art relating to our patent applications has been found and that there are no material defects in the form, preparation, or prosecution of our patent applications, which can invalidate a patent or prevent a patent from issuing from a pending patent application. Even if patents do successfully issue, and even if such patents cover our product, because the issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, our patents or pending patent applications may be challenged in the courts or patent offices in the United States and abroad, which may result in such patents being narrowed, found unenforceable or invalidated. For example, we may be subject to a third-party pre-issuance submission of prior art to the United States Patent and Trademark Office, or USPTO, or become involved in post-grant review procedures, oppositions, derivations, reexaminations, inter parts review, or IPR, or interference proceedings, in the United States or elsewhere, challenging our patent rights or the patent rights of others. An adverse determination in any such challenges may result in loss of exclusivity or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and products. Furthermore, even if they are unchallenged, our patent applications and any future patents may not adequately protect our intellectual property, provide exclusivity for our product, or prevent others from designing around our claims. Any of these outcomes could impair our ability to prevent competition from third parties, which may have an adverse impact on our business.

If we cannot obtain and maintain effective patent rights for our product, we may not be able to compete effectively and our business and results of operations would be harmed.

In addition to the protection afforded by any patents that have been or may be granted, we rely on trade secret protection and confidentiality agreements to protect proprietary know-how that is not patentable or that we elect not to patent, and for processes for which patents are difficult to enforce. However, trade secrets can be difficult to protect. We seek to protect our proprietary technology and processes, in part, by entering into confidentiality agreements with our employees, consultants, scientific advisors and contractors. We also seek to preserve the integrity and confidentiality of our data, trade secrets and intellectual property by maintaining the physical security of our premises and physical and electronic security of our information technology systems. Notwithstanding these measures, organizations and systems, agreements or security measures may be breached, and we may not have adequate remedies for any breach. In addition, our trade secrets and intellectual property may otherwise become known or be independently discovered by competitors. Although we expect all our employees and consultants and other third parties who may be involved in the development of intellectual property for us to assign their inventions to us, and all of our employees, consultants, advisors and any third parties who have access to our proprietary knowhow, information, or technology to enter into confidentiality agreements, we cannot provide any assurances that we have entered into such agreements with all applicable third parties or that all such agreements have been duly executed. Even if we have entered into such agreements, we cannot assure you that our counterparties will comply with the terms of such agreements or that the assignment of intellectual property rights under such agreements is self-executing. We may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property. If we fail in prosecuting or defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights. Even if we are successful in prosecuting or defending against such claims, litigation could result in substantial costs and be a distraction to our senior management and scientific personnel.

We also cannot assure you that our trade secrets and other confidential proprietary information will not be disclosed or that competitors will not otherwise gain access to our trade secrets or independently develop substantially equivalent information and techniques. Misappropriation or unauthorized disclosure of our trade secrets and intellectual property could impair our competitive position and may have a material adverse effect on our business. Additionally, if the steps taken to maintain our trade secrets and intellectual property are deemed inadequate, we may have insufficient recourse against third parties for misappropriating the trade secret. Any of the foregoing could significantly harm our business, results of operations and prospects.

Patent reform legislation and rule changes could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of any issued patents.

Our ability to obtain patents is highly uncertain because, to date, some legal principles remain unsettled, there has not been a consistent policy regarding the breadth or interpretation of claims allowed in patents in the United States and the specific content of patents and patent applications that are necessary to support and interpret patent claims is highly uncertain due to the complex nature of the relevant legal, scientific, and factual issues. Changes in either patent laws or interpretations of patent laws in the United States and other countries may diminish the value of our intellectual property or narrow the scope of our patent protection.

For example, on September 16, 2011, the Leahy-Smith America Invents Act, or the Leahy-Smith Act, was signed into law. The Leahy-Smith Act includes a number of significant changes to United States patent law. These include provisions that affect the way patent applications will be prosecuted and may also affect patent litigation. The USPTO has developed new and untested regulations and procedures to govern the full implementation of the Leahy-Smith Act and many of the substantive changes to patent law associated with the Leahy-Smith Act, and in particular, the first to file provisions only became effective in March 2013. Prior to March 2013, in the United States, the first to invent was entitled to the patent. As of March 2013, assuming the other requirements for patentability are met, the first to file a patent application is generally entitled to the patent. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain that we were the first to make the inventions claimed in our patents or pending patent applications, or that we were the first to file for patent protection of such inventions. The Leahy-Smith Act has also introduced procedures making it easier for third parties to challenge issued patents, as well as to intervene in the prosecution of patent applications. Finally, the Leahy-Smith Act contains new statutory provisions that require the USPTO to issue new regulations for their implementation, and it may take the courts years to interpret the provisions of the new statute.

However, the Leahy-Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents. Further, the U.S. Supreme Court has ruled on several patent cases in recent years, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on actions by the U.S. Congress, the federal courts, and the USPTO, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce patents that we have owned or licensed or that we might obtain in the future. Any inability to obtain, enforce, and defend patents covering our proprietary technologies would materially and adversely affect our business prospects and financial condition.

Similarly, changes in patent laws and regulations in other countries or jurisdictions or changes in the governmental bodies that enforce them or changes in how the relevant governmental authority enforces patent laws or regulations may weaken our ability to obtain new patents or to enforce patents that we own or that we may obtain in the future. Further, the laws of some countries do not protect proprietary rights to the same extent or in the same manner as the laws of the United States. As a result, we may encounter significant problems in protecting and defending our intellectual property both in the United States and abroad. For example, if the issuance to us, in a given country, of a patent covering an invention is not followed by the issuance, in other countries, of patents covering the same invention, or if any judicial interpretation of the validity, enforceability, or scope of the claims, or the written description or enablement, in a patent issued in one country is not similar to the interpretation given to the corresponding patent issued in another country, our ability to protect our intellectual property in those countries may be limited. Changes in either patent laws or in interpretations of patent laws in the United States and other countries may materially diminish the value of our intellectual property or narrow the scope of our patent protection. Any of the foregoing could significantly harm our business, results of operations and prospects.

If our trademarks and trade names are not adequately protected, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected.

Our registered or unregistered trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition by potential partners or customers in our markets of interest. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business may be adversely affected. If other entities use trademarks similar to ours in different jurisdictions, or have senior rights to ours, it could interfere with our use of our current trademarks throughout the world.

Intellectual property rights of third parties could adversely affect our ability to continue to commercialize our product. Such litigation or licenses could be costly or not available on commercially reasonable terms.

It is inherently difficult to conclusively assess our freedom to operate without infringing on or otherwise violating third-party rights. Our competitive position may suffer if patents issued to third parties or other third-party intellectual property rights cover our product or elements thereof, or our manufacturing or uses relevant to our development plans. In such cases, we may not be in a position to continue to commercialize our product unless we successfully pursue litigation to nullify or invalidate the third-party intellectual property right concerned, or enter into a license agreement with the intellectual property right holder, if available on commercially reasonable terms.

There may also be pending patent applications that if they result in issued patents, could be alleged to be infringed by our product. If such an infringement claim should be brought and be successful, we may be required to pay substantial damages, including treble damages and attorneys' fees if we are found to have willfully infringed, we may be forced to cease the commercialization of our product, or we may need to seek a license from any patent holders. No assurances can be given that a license will be available on commercially reasonable terms, if at all. Even if we were able to obtain such a license, it could be granted on non-exclusive terms, thereby providing our competitors and other third parties access to the same technologies licensed to us.

It is also possible that we have failed to identify relevant third-party patents or applications. For example, U.S. applications filed before November 29, 2000, and certain U.S. applications filed after that date that will not be filed outside the U.S. remain confidential until patents issue. Patent applications in the U.S. and elsewhere are published approximately 18 months after the earliest filing to which priority is claimed, with such earliest filing date being commonly referred to as the priority date. Therefore, patent applications covering our product or platform technology could have been filed by others without our knowledge. Additionally, pending patent applications which have been published can, subject to certain limitations, be later amended in a manner that could cover our platform technologies or our product . Third-party intellectual property right holders may also actively bring infringement claims against us. We cannot guarantee that we will be able to successfully defend, settle or otherwise resolve such infringement claims. If we are unable to successfully settle future claims on terms acceptable to us, we may be required to engage in or continue costly, unpredictable and time-consuming litigation. If we fail in any such dispute, in addition to being forced to pay damages, we may be temporarily or permanently prohibited from commercializing our product that are held to be infringing. We might, if possible, also be forced to redesign our product so that we no longer infringe the third-party intellectual property rights, which may not be commercially feasible. Any of these events, even if we were ultimately to prevail, could require us to divert substantial financial and management resources that we would otherwise be able to devote to our business and otherwise significantly harm our business, results of operations and prospects.

Third-party claims of intellectual property infringement may prevent or delay our development and commercialization efforts.

Our commercial success depends in part on our avoiding infringing or otherwise violating the patents and proprietary rights of third parties. There have been many lawsuits and other proceedings involving patent and other intellectual property rights in the biotechnology and pharmaceutical industries, including patent infringement lawsuits, interferences, oppositions, post grant review, IPR, and reexamination proceedings before the USPTO and corresponding non-U.S. patent offices. Numerous U.S. and non-U.S. issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we developed our product. As the pharmaceutical industry expands and more patents are issued, the risk increases that our product may be subject to claims of infringement of the patent rights of third parties or other intellectual property claims.

Third parties may assert that we are employing their proprietary technology without authorization. There may be third-party patents or patent applications with claims to materials, formulations, methods of manufacture, or methods for treatment related to the use or manufacture of our product. Because patent applications can take many years to issue, there may be currently pending patent applications that may later result in issued patents that our product may infringe. In addition, third parties may obtain patents in the future and claim that use of our technologies infringes upon these patents. If any third-party patents were held by a court of competent jurisdiction to cover the manufacturing process of our product, any materials formed during the manufacturing process or any final product itself, the holders of any such patents may be able to block our ability to continue to commercialize such product unless we obtain a license under the applicable patents, or until such patents expire or are finally determined to be invalid or unenforceable.

Similarly, if any third-party patents were held by a court of competent jurisdiction to cover aspects of our formulations, processes for manufacture, or methods of use, the holders of any such patents may be able to block our ability to continue to commercialize our product unless we obtain a license or until such patent expires or is finally determined to be invalid or unenforceable. In either case, such a license may not be available on commercially reasonable terms or at all.

Parties making claims against us may obtain injunctive or other equitable relief, which could effectively block our ability to further commercialize our product. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business. In the event of a successful claim of infringement against us, we may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, pay royalties, redesign our infringing products or obtain one or more licenses from third parties, which may be impossible or require substantial time and monetary expenditure.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. There could also be public announcements of the results of hearings, motions, or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a material adverse effect on the price of our ordinary shares. Any of the foregoing could significantly harm our business, results of operations and prospects.

'***We may be involved in lawsuits to protect or enforce our intellectual property, which could be expensive, time consuming and unsuccessful.***

Competitors may infringe, misappropriate or otherwise violate our intellectual property or that of our licensors that we may acquire in the future. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time-consuming. If we initiate legal proceedings against a third party to enforce a patent covering our product, the defendant could counterclaim that the patent covering our product is invalid and/or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity and/or unenforceability are common, and there are numerous grounds upon which a third party can assert invalidity or unenforceability of a patent. In an infringement proceeding, a court may decide that a patent of ours is not valid or is unenforceable, or may refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question. Third parties may also raise similar claims before administrative bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include re-examination, post grant review, inter parties review, or IPR, and equivalent proceedings in non-U.S. jurisdictions (e.g., opposition proceedings). Such proceedings could result in revocation of or amendment to our patents in such a way that they no longer cover our product. The outcome following legal assertions of invalidity and unenforceability is unpredictable. With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art, of which we, our patent counsel, and the patent examiner were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity and/or unenforceability, we would lose at least part, and perhaps all, of the patent protection on our product. An adverse result in any litigation or defense proceedings could put one or more of our patents at risk of being invalidated or interpreted narrowly, could put our patent applications at risk of not issuing and could have a material adverse impact on our business.

Interference proceedings provoked by third parties or brought by us may be necessary to determine the priority of inventions with respect to our patent applications. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms. Our defense of litigation or interference proceedings may fail and, even if successful, may result in substantial costs and distract our management and other employees. We may not be able to prevent misappropriation of our intellectual property rights, particularly in countries where the laws may not protect those rights as fully as in the United States.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. There could also be public announcements of the results of hearings, motions, or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a material adverse effect on the price of our ordinary shares. Any of the foregoing could significantly harm our business, results of operations and prospects.

We may be subject to claims that our employees, consultants, or independent contractors have wrongfully used or disclosed confidential information of third parties or that our employees have wrongfully used or disclosed alleged trade secrets of their former employers.

We employ individuals who were previously employed at universities or other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Although we try to ensure that our employees, consultants and independent contractors do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or our employees, consultants, or independent contractors have inadvertently or otherwise used or disclosed intellectual property, including trade secrets or other proprietary information, of any of our employees' former employers or other third parties. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel, which could adversely impact our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees. Any of the foregoing could significantly harm our business, results of operations and prospects.

We may be subject to claims challenging the inventorship of our intellectual property.

We may be subject to claims that former employees, collaborators or other third parties have an interest in or right to compensation with respect to our current patent and patent applications, future patents or other intellectual property as an inventor or co-inventor. For example, we may have inventorship disputes arise from conflicting obligations of consultants or others who were involved in developing our product. Litigation may be necessary to defend against these and other claims challenging inventorship or claiming the right to compensation. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, valuable intellectual property. Such an outcome could have a material adverse effect on our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees. To the extent that our employees have not effectively waived the right to compensation with respect to inventions that they helped create, they may be able to assert claims for compensation with respect to our future revenue. As a result, we may receive less revenue from future products if such claims are successful, which in turn could impact our future profitability, business, results of operations and prospects.

We may become subject to claims for remuneration or royalties for assigned service invention rights by our employees, which could result in litigation and adversely affect our business.

A significant portion of our intellectual property has been developed by our employees in the course of their employment for us. Under the Israeli Patent Law, 5727-1967, or the Patent Law, inventions conceived by an employee in the course and as a result of or arising from his or her employment with a company are regarded as "service inventions," which belong to the employer, absent a specific agreement between the employee and employer giving the employee service invention rights. The Patent Law also provides that if there is no such agreement between an employer and an employee, the Israeli Compensation and Royalties Committee, or the Committee, a body constituted under the Patent Law, shall determine whether the employee is entitled to remuneration for his inventions. Case law clarifies that the right to receive consideration for "service inventions" can be waived by the employee and that in certain circumstances, such waiver does not necessarily have to be explicit. The Committee will examine, on a case-by-case basis, the general contractual framework between the parties, using interpretation rules of the general Israeli contract laws. Further, the Committee has not yet determined one specific formula for calculating this remuneration (but rather uses the criteria specified in the Patent Law). Although we generally enter into assignment-of-invention agreements with our employees pursuant to which such individuals assign to us all rights to any inventions created in the scope of their employment or engagement with us, we may face claims demanding remuneration in consideration for assigned inventions. As a consequence of such claims, we could be required to pay additional remuneration or royalties to our current and/or former employees, or be forced to litigate such claims, which could negatively affect our business.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by government patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees, renewal fees, annuity fees and various other government fees on patents and/or applications will be due to be paid to the USPTO and various government patent agencies outside of the United States over the lifetime of our patents and/or applications and any patent rights we may own or license in the future. We rely on our outside counsel or third-party service providers to pay these fees due to the USPTO and non-U.S. patent agencies. The USPTO and various non-U.S. government patent agencies require compliance with several procedural, documentary, fee payment and other similar provisions during the patent application process. We employ reputable law firms and other professionals to help us comply. In many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. There are situations, however, in which non-compliance can result in abandonment or lapse of the patents or patent applications, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, potential competitors might be able to enter the market and this circumstance could harm our business.

We may enjoy only limited geographical protection with respect to certain patents and we may not be able to protect our intellectual property rights throughout the world.

Filing and prosecuting patent applications and defending patents covering our product in all countries throughout the world would be prohibitively expensive. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and, further, may export otherwise infringing products to territories where we have patent protection, but enforcement rights are not as strong as that in the United States. These products may compete with our product, and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

In addition, we may decide to abandon national and regional patent applications before grant. The examination of each national or regional patent application is an independent proceeding. As a result, patent applications in the same family may issue as patents in some jurisdictions, such as in the United States, but may issue as patents with claims of different scope or may even be refused in other jurisdictions. It is also quite common that depending on the country, the scope of patent protection may vary for the same product candidate or technology. The laws of some jurisdictions do not protect intellectual property rights to the same extent as the laws or rules and regulations in the United States, and many companies have encountered significant difficulties in protecting and defending such rights in such jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights in other jurisdictions, whether or not successful, could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing as patents, and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful.

Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license. Furthermore, while we intend to protect our intellectual property rights in our expected significant markets, we cannot ensure that we will be able to initiate or maintain similar efforts in all jurisdictions in which we may wish to market our product. Accordingly, our efforts to protect our intellectual property rights in such countries may be inadequate, which may have an adverse effect on our ability to successfully commercialize our product in all our expected significant non-U.S. markets. If we encounter difficulties in protecting, or are otherwise precluded from effectively protecting, the intellectual property rights important for our business in such jurisdictions, the value of these rights may be diminished and we may face additional competition from others in those jurisdictions.

Some countries also have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In addition, some countries limit the enforceability of patents against government agencies or government contractors. In those countries, the patent owner may have limited remedies, which could materially diminish the value of such patents. If we are forced to grant a license to third parties with respect to any patents relevant to our business, our competitive position may be impaired.

Patent terms may be inadequate to protect our competitive position on our product for an adequate amount of time.

Patents have a limited lifespan. In the United States, if all maintenance fees are timely paid, the natural expiration of a patent is generally 20 years from its earliest U.S. non-provisional filing date. Various extensions may be available, but the life of a patent, and the protection it affords, is limited. Even if patents covering our product are obtained, once the patent life has expired for our product, we may be open to competition from competitive medications, including biosimilar and generic medications. Our patent portfolio may not provide us with sufficient rights to exclude others from commercializing product candidates similar or identical to Omisirge.

Depending upon the timing, duration and conditions of any FDA marketing approval of our product candidates, one or more of our U.S. patents may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch-Waxman Amendments, and similar legislation in the European Union. The Hatch-Waxman Amendments permit a patent term extension of up to five years for a patent covering an approved product as compensation for effective patent term lost during product development and the FDA regulatory review process. However, we may not receive an extension if we fail to exercise due diligence during the testing phase or regulatory review process, fail to apply within applicable deadlines, fail to apply prior to expiration of relevant patents or otherwise fail to satisfy applicable requirements. Moreover, the length of the extension could be less than we request. Only one patent per approved product can be extended, the extension cannot extend the total patent term beyond 14 years from approval and only those claims covering the approved drug, a method for using it or a method for manufacturing it may be extended. If we are unable to obtain patent term extension or the term of any such extension is less than we request, the period during which we can enforce our patent rights for the applicable product candidate will be shortened and our competitors may obtain approval to market competing products sooner. As a result, our revenue from applicable products could be reduced. Further, if this occurs, our competitors may take advantage of our investment in development and trials by referencing our clinical and preclinical data and launch their product earlier than might otherwise be the case, and our competitive position, business, financial condition, results of operations, and prospects could be materially harmed.

Intellectual property rights do not necessarily address all potential threats to our competitive advantage.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations and may not adequately protect our business or permit us to maintain our competitive advantage. The following examples are illustrative:

- others may be able to make products that are similar to our product but that are not covered by the claims of the patents that we own;
- we might not have been the first to invent the inventions covered by our patents or the first to file patent applications covering our inventions;
- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our intellectual property rights;
- it is possible that our pending patent applications will not lead to issued patents;
- issued patents that we own may be held invalid or unenforceable as a result of legal challenges by our competitors;
- issued patents that we own may not provide coverage for all aspects of our product in all countries;
- our competitors might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may not develop additional proprietary technologies that are patentable; and
- the patents of others may have an adverse effect on our business.

Should any of these events occur, they could significantly harm our business, results of operations and prospects.

Risks Related to Our Business Operations

We rely on a single facility to manufacture Omisirge that is located in Kiryat Gat, Israel, proximate to the ongoing hostilities between Israel and Hamas in and around the Gaza Strip. Damage to this site, or hesitancy on the part of our customers to place orders with us, as a result of such hostilities or otherwise could have a material adverse effect on our ability to manufacture Omisirge and generate revenue.

We are solely dependent on our facility in Kiryat Gat, Israel for the manufacture of the commercial supply of Omisirge. This facility has been cGMP certified by the FDA and completed physical inspection by the Israeli Ministry of Health. Ongoing hostilities between Israel and Hamas in and around the Gaza Strip could severely disrupt our manufacturing operations at our Kiryat Gat facility, as could other hostilities that could occur whether or not related to the current violence, as well as severe natural disasters or other damage to this site. If any event were to occur that prevents us from using all or a significant portion of this facility or otherwise disrupts our operations, it may be difficult or, in certain cases, impossible for us to continue manufacturing Omisirge for a substantial period of time in sufficient quantities or at all. The disaster recovery and business continuity plans that we have in place currently are limited and are unlikely to prove adequate to guarantee a continuation of supply of Omisirge in the event of a serious disaster or similar event. Even if the physical plant of our Kiryat Gat facility is not damaged in the ongoing hostilities, if certain or all of our on-site employees are called for military service, we may be unable to produce Omisirge at our Kiryat Gat facility at anticipated levels or at all. Furthermore, our customers may be hesitant to place orders with us as a result of these hostilities. The ongoing hostilities could also disrupt our supply chain. We rely on our ability to import starting materials into Israel (including CBUs) to manufacture Omisirge and our ability to export Omisirge manufactured for a given patient. If the conflict between Israel and Hamas affects the flow of air travel into and out of Ben Gurion Airport in Tel Aviv, it could have a material adverse impact on our ability to manufacture and deliver Omisirge and generate revenue. Failure to produce our sole commercial product for an extended period of time could lead to a material decline in our revenue and our ability to function as an ongoing commercial enterprise.

Our commercial insurance does not cover losses that may occur as a result of events associated with war and terrorism, including any prospective damage to our facility at Kiryat Gat resulting therefrom. Although the Israeli government currently covers the reinstatement value of direct damages that are caused by terrorist attacks or acts of war, we cannot assure you that such government coverage will be maintained or that it will sufficiently cover any such potential damages. Any losses or damages incurred by us could have a material adverse effect on our business.

Completion of our restructuring process depends in part on our ability to attract, retain and motivate qualified personnel.

We are highly dependent on our employees, consultants and advisors. The loss of their services without a proper replacement may adversely impact the achievement of our objectives, including completion of our restructuring process. Our employees, consultants and advisors may leave our employment at any time. We may not be able to attract and retain personnel on acceptable terms or at all, given the competition among numerous pharmaceutical companies for individuals with similar skill sets and the increased uncertainty caused by our restructuring process. The inability to recruit and retain qualified personnel, or the loss of the services of any members of our senior management team without proper replacement, may impede our ability to complete our restructuring process.

Business disruptions could seriously harm our future revenue and financial condition and increase costs and expenses.

Our operations and those of our third-party suppliers and collaborators could be subject to earthquakes, power shortages, telecommunications failures, water shortages, floods, hurricanes or other extreme weather conditions, public health crises, labor disputes, war or other business interruptions. Although we have limited business interruption insurance policies in place, any interruption could come with high costs for us, as salaries and loan payments would usually continue. Moreover, any interruption could seriously harm one or more of our research, development or manufacturing programs, the commercialization of any approved product or our clinical trial operations.

The recent attack by Hamas and other terrorist organizations from the Gaza Strip on Israel and Israel's declaration of war against them, and the war in Ukraine, causes and may continue to cause geopolitical and macroeconomic uncertainty, and an escalation of the conflict could disrupt our supply chain. Furthermore, both the war in Ukraine and the war between Hamas and Israel have resulted in significant disruptions to global financial markets, which may adversely affect our ability to raise capital or complete our strategic restructuring process. The resulting high inflation rates may materially affect our business and corresponding financial position and cash flows. Inflationary factors, such as increases in interest rates and overhead costs may adversely affect our operating results. Rising interest rates also present a recent challenge impacting the U.S. economy and could make it more difficult for us to obtain traditional financing on acceptable terms, if at all, in the future. Furthermore, such economic conditions have produced downward pressure on share prices.

If our information technology systems or those third parties upon which we rely or our data, are or were compromised, we could experience adverse consequences resulting from such compromise, including but not limited to regulatory investigations or actions; litigation; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; loss of customers or sales; and other adverse consequences.

In the ordinary course of business, we collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect, secure, dispose of, transmit, and share (collectively, process) personal data and other sensitive data, including proprietary and confidential business data, trade secrets, intellectual property, data we collect about trial participants in connection with clinical trials, and sensitive third-party data (collectively, sensitive information). Cyber-attacks, malicious internet-based activity, online and offline fraud, and other similar activities threaten the confidentiality, integrity, and availability of our sensitive information and information technology systems, and those of the third parties upon which we rely. Such threats are prevalent and continue to rise, are increasingly difficult to detect, and come from a variety of sources, including traditional computer "hackers," threat actors, "hacktivists," organized criminal threat actors, personnel (such as through theft or misuse), sophisticated nation states, and nation-state-supported actors. Some actors now engage and are expected to continue to engage in cyber-attacks, including without limitation nation-state actors for geopolitical reasons and in conjunction with military conflicts and defense activities. During times of war and other major conflicts, we, the third parties upon which we rely, and our customers may be vulnerable to a heightened risk of these attacks, including retaliatory cyber-attacks, that could materially disrupt our systems and operations, supply chain, and ability to produce, sell and distribute our goods and services.

We and the third parties upon which we rely are subject to a variety of evolving threats, including but not limited to social-engineering attacks (including through deep fakes, which may be increasingly more difficult to identify as fake, and phishing attacks), malicious code (such as viruses and worms), malware (including as a result of advanced persistent threat intrusions), denial-of-service attacks, credential stuffing attacks, credential harvesting, personnel misconduct or error, ransomware attacks, supply-chain attacks, software bugs, server malfunctions, software or hardware failures, loss of data or other information technology assets, adware, telecommunications failures, earthquakes, fires, floods, attacks enhanced or facilitated by AI, and other similar threats.

In particular, severe ransomware attacks are becoming increasingly prevalent and can lead to significant interruptions in our operations, ability to provide our products or services, loss of sensitive information and income, reputational harm, and diversion of funds. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments. Remote work has become more common and has increased risks to our information technology systems and data, as more of our employees utilize network connections, computers and devices outside our premises or network, including working at home, while in transit and in public locations.

Future or past business transactions (such as acquisitions or integrations) could expose us to additional cybersecurity risks and vulnerabilities, as our systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies. Furthermore, we may discover security issues that were not found during due diligence of such acquired or integrated entities, and it may be difficult to integrate companies into our information technology environment and security program.

We rely on third-party service providers and technologies to operate critical business systems to process sensitive information in a variety of contexts, including, without limitation, hosting companies, contract research organizations, and other functions. Our ability to monitor these third parties' information security practices is limited, and these third parties may not have adequate information security measures in place. If our third-party service providers experience a security incident or other interruption, we could experience adverse consequences.

While we may be entitled to damages if our third-party service providers fail to satisfy their privacy or security-related obligations to us, any award may be insufficient to cover our damages, or we may be unable to recover such award. In addition, supply-chain attacks have increased in frequency and severity, and we cannot guarantee that third parties' infrastructure in our supply chain or our third-party partners' supply chains have not been compromised.

While we have implemented security measures designed to protect against security incidents, there can be no assurance that these measures will be effective. Any of the previously identified or similar threats could cause a security incident or other interruption that could result in unauthorized, unlawful, or accidental acquisition, modification, destruction, loss, alteration, encryption, disclosure of, or access to our sensitive information or our information technology systems, or those of the third parties upon whom we rely. A security incident or other interruption could disrupt our ability (and that of third parties upon whom we rely) to provide our products. We may expend significant resources or modify our business activities (including our clinical trial activities) to try to protect against security incidents.

Certain data privacy and security obligations may require us to implement and maintain specific security measures or industry-standard or reasonable security measures to protect our information technology systems and sensitive information. Applicable data privacy and security obligations may require us to notify relevant stakeholders, including affected individuals, customers, regulators, and investors, of security incidents. Such disclosures are costly, and the disclosure or the failure to comply with such requirements could lead to adverse consequences. If we (or a third party upon whom we rely) experience a security incident or are perceived to have experienced a security incident, we may experience adverse consequences, such as government enforcement actions (for example, investigations, fines, penalties, audits, and inspections); additional reporting requirements and/or oversight; restrictions on processing sensitive information (including personal data); litigation (including class claims); indemnification obligations; negative publicity; reputational harm; monetary fund diversions; diversion of management attention; interruptions in our operations (including availability of data); financial loss; and other similar harms. Security incidents and attendant consequences may prevent or cause customers to stop using our products, deter new customers from using our products, and negatively impact our ability to grow and operate our business.

Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations. We cannot be sure that our insurance coverage will be adequate or sufficient to protect us from or to mitigate liabilities arising out of our privacy and security practices, that such coverage will continue to be available on commercially reasonable terms or at all, or that such coverage will pay future claims. In addition to experiencing a security incident, third parties may gather, collect, or infer sensitive information about us from public sources, data brokers, or other means that reveals competitively sensitive details about our organization and could be used to undermine our competitive advantage or market position.

We may be subject to extensive environmental, health and safety, and other laws and regulations in multiple jurisdictions.

Our business involves the controlled use, directly or indirectly through our service providers, of hazardous materials, various biological compounds and chemicals; therefore, we, our agents and our service providers may be subject to various environmental, health and safety laws and regulations, including those governing air emissions, water and wastewater discharges, noise emissions, the use, management and disposal of hazardous, radioactive and biological materials and wastes and the cleanup of contaminated sites. The risk of accidental contamination or injury from these materials cannot be eliminated. If an accident, spill or release of any regulated chemicals or substances occurs, we could be held liable for resulting damages, including for investigation, remediation and monitoring of the contamination, including natural resource damages, the costs of which could be substantial. We are also subject to numerous environmental, health and workplace safety laws and regulations, including those governing laboratory procedures, exposure to blood-borne pathogens and the handling of biohazardous materials and chemicals. Although we maintain workers' compensation insurance to cover the costs and expenses that may be incurred because of injuries to our employees resulting from the use of these materials, this insurance may not provide adequate coverage against potential liabilities. Additional or more stringent federal, state, local or non-U.S. laws and regulations affecting our operations may be adopted in the future. We may incur substantial capital costs and operating expenses and may be required to obtain consents to comply with any of these or certain other laws or regulations and the terms and conditions of any permits or licenses required pursuant to such laws and regulations. For instance, we have undergone inspections and obtained approvals from various governmental agencies. We hold a general business license from the City of Jerusalem that is valid until December 31, 2027.

We also hold a toxic substances permit from the Israeli Ministry of Environmental Protection (the Hazardous Material Division) and a Certificate of GMP Compliance of a Manufacturer from the Israeli Ministry of Health - Pharmaceutical Administration. Failure to renew any of the foregoing licenses and permits may harm our on-going and future operations. In addition, fines and penalties may be imposed for noncompliance with environmental, health and safety and other laws and regulations or for the failure to have, or comply with the terms and conditions of our business license, or required environmental or other permits or consents.

Our employees and independent contractors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk of fraud or other misconduct by our employees and independent contractors. Misconduct by these parties could include intentional failures to comply with FDA and other equivalent foreign regulations, provide accurate information to the FDA or equivalent foreign regulatory authorities, comply with manufacturing standards we may establish, comply with federal and state healthcare fraud and abuse laws and regulations, report financial information or data accurately or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Employee and independent contractor misconduct could also involve the improper use of information obtained in the course of clinical trials, including individually identifiable information, creating fraudulent data in our preclinical studies or clinical trials or illegal misappropriation of product candidates. If our operations are found to be in violation of any of these laws, we may be subject to significant penalties, including civil, criminal and administrative penalties, damages, fines, exclusion from government-funded healthcare programs, such as Medicare and Medicaid or similar programs in other countries or jurisdictions, integrity oversight and reporting obligations to resolve allegations of non-compliance, disgorgement, imprisonment, contractual damages, reputational harm, diminished profits and the curtailment or restructuring of our operations. It is not always possible to identify and deter misconduct by employees and other third parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. Additionally, we are subject to the risk that a person or government could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant fines or other sanctions.

Under current Israeli law, we may not be able to enforce employees' covenants not to compete and therefore may be unable to prevent our competitors from benefiting from the expertise of some of our former employees.

We generally enter into non-competition agreements with our key employees, in most cases within the framework of their employment agreements.

These agreements prohibit our key employees, if they cease working for us, from competing directly with us or working for our competitors for a limited period. Under applicable Israeli law, we may be unable to enforce these agreements or any part thereof. If we cannot enforce our noncompetition agreements with our employees, then we may be unable to prevent our competitors from benefiting from the expertise of our former employees, which could materially adversely affect our business, results of operations and ability to capitalize on our proprietary information.

Risks Related to Ownership of our Ordinary Shares

The market price of our ordinary shares may fluctuate significantly, which could result in substantial losses by our investors.

The stock market in general, and the market for pharmaceutical companies in particular, has experienced extreme volatility that has often been unrelated to the operating performance of particular companies. As a result of this volatility, you may not be able to sell your ordinary shares at or above the price you paid for them. The following factors, in addition to other risk factors described in this section, may have a significant impact on the market price of our ordinary shares:

- investor reaction to the news of our restructuring process;
- success of the commercial launch of Omisirge;
- announcements of therapeutic innovations or new products by us or our competitors;
- adverse actions taken by regulatory authorities with respect to our manufacturing supply chain or sales and marketing activities;
- changes or developments in laws or regulations, and payer reimbursement requirements applicable to any candidate product in any of our platforms;
- any adverse changes to our relationship with manufacturers or suppliers, especially manufacturers of candidate products;
- any intellectual property infringement, misappropriation or other actions in which we may become involved;

- announcements concerning our competitors or the pharmaceutical industry in general;
- achievement of expected product sales and profitability or our failure to meet expectations;
- our commencement of, or involvement in, litigation;
- any changes in our board of directors or management;
- any escalation or expansion of the ongoing hostilities between Israel and Hamas in and around the Gaza Strip or in the Middle East more generally; and
- the other factors described in this "Risk Factors" section.

If our quarterly operating results fall below the expectations of investors or securities analysts, the price of our ordinary shares could decline substantially. Furthermore, any quarterly fluctuations in our operating results may, in turn, cause the price of our shares to fluctuate substantially. We believe that quarterly comparisons of our financial results are not necessarily meaningful and should not be relied upon as an indication of our future performance.

Further, the stock market in general, the Nasdaq Global Market and the market for biotechnology companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies like ours, including due to coordinate buying and selling activities and market manipulation. Broad market and industry factors may negatively affect the market price of our ordinary shares regardless of our actual operating performance. In addition, a systemic decline in the financial markets, recent and potential future disruptions in access to bank deposits or lending commitments due to bank failures and related factors beyond our control may cause our share price to decline rapidly and unexpectedly. Price volatility of our ordinary shares might be worse if the trading volume of our ordinary shares is low. In the past, following periods of market volatility, shareholders have often instituted securities class action litigation. If we were involved in securities litigation, it could have a substantial cost and divert resources and attention of management from our business, even if we are successful.

Sales of a substantial number of shares of our ordinary shares in the public market, or the perception that these sales might occur, could depress the market price of our ordinary shares and could impair our ability to raise capital through the sale of additional equity securities. We are unable to predict the effect that sales may have on the prevailing market price of our ordinary shares. In addition, we have registered all ordinary shares that we may issue under our equity compensation plans, and, as such, these shares can be freely sold in the public market upon issuance.

Moreover, the liquidity of our ordinary shares may be limited, not only in terms of the number of ordinary shares that can be bought and sold at a given price, but by potential delays in the timing of executing transactions in our ordinary shares and a reduction in security analyst and media's coverage of our company, if any. These factors may result in lower prices for our ordinary shares than might otherwise be obtained and could also result in a larger spread between the bid and ask prices for our ordinary shares. In addition, without a large float, our ordinary shares will be less liquid than the stock of companies with broader public ownership and, as a result, the trading prices of our ordinary shares may be more volatile. In the absence of an active public trading market, an investor may be unable to liquidate its investment in our ordinary shares. Trading of a relatively small volume of our ordinary shares may have a greater impact on the trading price of our ordinary shares than would be the case if our public float were larger. We cannot predict the prices at which our ordinary shares will trade in the future.

If we are or become classified as a "passive foreign investment company," our U.S. shareholders may suffer adverse tax consequences as a result.

Generally, for any taxable year, if at least 75% of our gross income is passive income, or at least 50% of the value of our assets (generally determined based on a weighted quarterly average) is attributable to assets that produce passive income or are held for the production of passive income, including cash, we would be characterized as a "passive foreign investment company," or PFIC, for U.S. federal income tax purposes. For purposes of these tests, passive income generally includes dividends, interest, gains from commodities and securities transactions, certain gains from the disposition of investment property and rents and royalties other than rents and royalties which are received from unrelated parties in connection with the active conduct of a trade or business. If we are characterized as a PFIC, our U.S. shareholders may suffer adverse tax consequences, including having gains realized on the sale of our ordinary shares treated as ordinary income, rather than capital gain, the loss of the preferential rate applicable to dividends received on our ordinary shares by individuals who are U.S. holders, having interest charges apply to distributions by us and gains from the sales of our ordinary shares, and additional tax reporting requirements.

Our status as a PFIC generally will depend on the nature and composition of our income and the nature, composition and value of our assets (which generally will be determined based on the fair market value of each asset, with the value of goodwill and going concern value determined in large part by reference to the market value of our ordinary shares from time to time, which may be volatile). If our market capitalization declines while we hold a substantial amount of cash for any taxable year, we may be a PFIC for such taxable year. The manner and timeframe in which we spend the cash we raise in any offering, the transactions we enter into, and how our corporate structure may change in the future will affect the nature and composition of our income and assets. Our PFIC status may depend, in part, on the treatment of payments we receive from other sources (including government grants), which is uncertain, and the magnitude of such payments compared to passive income from investments. The Company has not yet determined its PFIC status for 2023. Because the determination of whether we are a PFIC for any taxable year is a factual determination made annually after the end of each taxable year by applying principles and methodologies that in some circumstances are unclear and subject to varying interpretation, there can be no assurance that we will not be considered a PFIC in any taxable year. Accordingly, our U.S. counsel expresses no opinion with respect to our PFIC status for any taxable year ended.

The tax consequences that would apply if we are classified as a PFIC would also be different from those described above if a U.S. shareholder were able to make a valid "qualified electing fund," or QEF, election.

If a "United States person" is treated as owning at least 10% of our shares, such holder may be subject to adverse U.S. federal income tax consequences.

If a "United States person" is treated as owning (directly, indirectly or constructively through the application of attribution rules) at least 10% of the value or voting power of our shares, such person may be treated as a "United States shareholder" with respect to each "controlled foreign corporation" in our group (if any). Because our group includes one or more U.S. subsidiaries, certain of our current or future non-U.S. subsidiaries could be treated as controlled foreign corporations (regardless of whether we are or are not treated as a controlled foreign corporation). A United States shareholder of a controlled foreign corporation may be required to annually report and include in its U.S. taxable income its pro rata share of the controlled foreign corporation's "Subpart F income," "global intangible low-taxed income" and investments in U.S. property, whether or not such controlled foreign corporation makes any distributions. An individual that is a United States shareholder with respect to a controlled foreign corporation generally would not be allowed certain tax deductions or foreign tax credits that would be allowed to a United States shareholder that is a U.S. corporation. A failure to comply with these reporting obligations may subject a Untied States shareholder to significant monetary penalties and may prevent the statute of limitations with respect to the United States shareholder's U.S. federal income tax return for the year for which reporting was due from starting. We cannot provide any assurances that we will assist investors in determining whether we (or any of our current or future non-U.S. subsidiaries) are treated as a controlled foreign corporation or whether such investor is treated as a United States shareholder with respect to any of such controlled foreign corporations or furnish to any United States shareholders information that may be necessary to comply with the aforementioned reporting and tax paying obligations. United States investors should consult their own advisors regarding the potential application of these rules to their investment in our shares.

The intended tax effects of our corporate structure and intercompany arrangements depend on the application of the tax laws of various jurisdictions and on how we operate our business.

During the ordinary course of business, there are many transactions and calculations for which the ultimate tax determination is uncertain. For example, our effective tax rates could be adversely affected by changes in foreign currency exchange rates or by changes in the relevant tax, accounting and other laws, regulations, principles and interpretations. As we intend to operate in numerous countries and taxing jurisdictions, the application of tax laws can be subject to diverging and sometimes conflicting interpretations by tax authorities of these jurisdictions. It is not uncommon for taxing authorities in different countries to have conflicting views, for instance, with respect to, among other things, the manner in which the arm's length standard is applied for transfer pricing purposes, or with respect to the valuation of intellectual property.

If tax authorities in any of the countries in which we operate were to successfully challenge our transfer prices as not reflecting arms' length transactions, they could require us to adjust our transfer prices and thereby reallocate our income to reflect these revised transfer prices, which could result in a higher tax liability to us. In addition, if the country from which the income is reallocated does not agree with the reallocation, both countries could tax the same income, potentially resulting in double taxation. If tax authorities were to allocate income to a higher tax jurisdiction, subject our income to double taxation or assess interest and penalties, it would increase our consolidated tax liability, which could adversely affect our financial condition, results of operations and cash flows. Similarly, a tax authority could assert that we are subject to tax in a jurisdiction where we believe we have not established a taxable connection, often referred to as a "permanent establishment" under international tax treaties, and such an assertion, if successful could increase our expected tax liability in one or more jurisdictions.

Future changes to tax laws could materially adversely affect our company and reduce net return to our shareholders.

Tax laws are dynamic and subject to change as new laws are passed and interpretations of the law are issued or applied. Such changes may include (but are not limited to) the taxation of operating income, investment income, dividends received, or (in the specific context of withholding tax) dividends paid. For instance, the recently enacted Inflation Reduction Act of 2022 imposes, among other rules, a 15% minimum tax on the book income of certain large corporations and a 1% excise tax on certain corporate stock repurchases. We are unable to predict what tax reform may be proposed or enacted in the future or what effect such changes would have on our business, but such changes, to the extent they are brought into tax legislation, regulations, policies, or practices, could affect our financial position and overall or effective tax rates in the future in countries where we have operations, reduce post-tax returns to our shareholder, and increase the complexity, burden, and cost of tax compliance.

For U.S. tax purposes, our ability to use our net operating loss carryforwards to offset future taxable income may be subject to certain limitations.

Under the Tax Act, as modified by the Coronavirus Aid, Relief, and Economic Security Act, U.S. federal net operating losses, or NOLs, generated in taxable years beginning after December 31, 2017, may be carried forward indefinitely, but the deductibility of such NOLs may be limited. In addition, under Section 382 of the U.S. Internal Revenue Code of 1986, as amended, or the Code, a corporation that undergoes an "ownership change" (generally defined as a greater than 50% change (by value) in its stock ownership over a three-year period) is subject to limitations on its ability to utilize its pre-change U.S. federal NOLs to offset future taxable income. If we have undergone an ownership change in the past, or if future changes in our stock ownership, some of which are outside of our control, results in an ownership change, our ability to utilize our U.S. federal NOLs may be limited by Section 382 of the Code. As a result, even if we earn net taxable income, our ability to use our NOLs to offset such income may be limited, which could increase our tax liability and decrease our cash flow. It is uncertain if and to what extent states will conform to U.S. federal income tax law with respect to the treatment of NOLs.

The tax benefits that are available to us require us to continue to meet various conditions and may be terminated or reduced in the future, which could increase our costs and taxes.

Some of our operations in Israel may entitle us to certain tax benefits under the Law for the Encouragement of Capital Investments, 5719-1959, or the Investment Law, once we begin to produce revenue. If we do not meet the requirements for maintaining these benefits, they may be reduced or cancelled and the relevant operations would be subject to Israeli corporate tax at the standard rate, which is set at 23% in 2023 and thereafter. In addition to being subject to the standard corporate tax rate, we could be required to refund any tax benefits that we will receive, plus interest and penalties thereon. Even if we continue to meet the relevant requirements, the tax benefits that our current "Preferred Enterprise" is entitled to may not be continued in the future at their current levels or at all. If these tax benefits were reduced or eliminated, the amount of taxes that we will pay would likely increase, as all our operations would consequently be subject to corporate tax at the standard rate, which could adversely affect our results of operations. Additionally, if we increase our activities outside of Israel, for example, by way of acquisitions, our increased activities may not be eligible for inclusion in Israeli tax benefits programs.

We have never paid cash dividends on our share capital, and we do not anticipate paying any cash dividends in the foreseeable future.

We have never declared or paid cash dividends on our ordinary shares. We currently anticipate that we will retain future earnings for the development, operation and expansion of our business and do not anticipate declaring or paying any cash dividends in the foreseeable future. As a result, capital appreciation, if any, of our ordinary shares will be investors' sole source of gain for the foreseeable future. In addition, Israeli law limits our ability to declare and pay dividends, and may subject our dividends to Israeli withholding taxes.

If securities or industry analysts do not publish or cease publishing research or reports about us, our business or our market, or if they adversely change their recommendations or publish negative reports regarding our business or our ordinary shares, our share price and trading volume could be negatively impacted.

The trading market for our ordinary shares is influenced by the research and reports that industry or securities analysts publish about us, our business, our market or our competitors. We do not have any control over these analysts, and we cannot provide any assurance that analysts will continue to cover us or provide favorable coverage. If any of the analysts who cover us adversely change their recommendation regarding our shares, or provide more favorable relative recommendations about our competitors, our share price would likely decline. If any analyst who covers us were to cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our share price or trading volume to decline.

Risks Related to Israeli Law and Our Operations in Israel

Conditions in Israel, including the most recent attack by Hamas and other terrorist organizations form the Gaza Strip and elsewhere in the region, and Israel's war against them, may adversely affect our operations and limit our ability to market our products, which would lead to a decrease in revenues. Significant parts of our operations are located in Israel and, therefore, our results may be adversely affected by political, economic and military conditions in Israel.

Because a material part of our operations are conducted in Israel and certain members of our management as well as many of our employees and consultants, including employees of our service providers, are located in Israel, our business and operations are directly affected by economic, political, geopolitical and military conditions in Israel. Since the establishment of the State of Israel in 1948, a number of armed conflicts have occurred between Israel and its neighboring countries and terrorist organizations active in the region. These conflicts have involved missile strikes, hostile infiltrations and terrorism against civilian targets in various parts of Israel, which have negatively affected business conditions in Israel.

In October 2023, Hamas terrorists infiltrated Israel's southern border from the Gaza Strip and conducted a series of attacks on civilian and military targets. Hamas also launched extensive rocket attacks on Israeli population and industrial centers located along Israel's border with the Gaza Strip and in other areas within the State of Israel. These attacks resulted in extensive deaths, injuries and kidnapping of civilians and soldiers. Following the attack, Israel's security cabinet declared war against Hamas and a military campaign against these terrorist organizations commenced in parallel to their continued rocket and terror attacks. In addition, since the commencement of these events, there have been continued hostilities along Israel's northern border with Lebanon (with the Hezbollah terror organization) and southern border (with the Houthi movement in Yemen, as described below). It is possible that hostilities with Hezbollah in Lebanon will escalate, and that other terrorist organizations, including Palestinian military organizations in the West Bank as well as other hostile countries, such as Iran, will join the hostilities. Such clashes may escalate in the future into a greater regional conflict.

The intensity and duration of Israel's current war against Hamas is difficult to predict, as are such war's economic implications on the Company's business and operations and on Israel's economy in general. These events may be intertwined with wider macroeconomic indications of a deterioration of Israel's economic standing that may involve a downgrade in Israel's credit rating by rating agencies (such as the recent downgrade by Moody's of its credit rating of Israel from A1 to A2, as well as the downgrade of its outlook rating from "stable" to "negative"), which may have a material adverse effect on the Company and its ability to effectively conduct its operations.

In connection with the Israeli security cabinet's declaration of war against Hamas and possible hostilities with other organizations, several hundred thousand Israeli military reservists were drafted to perform immediate military service. Although many of such military reservists have since been released, they may be called up for additional reserve duty, depending on developments in the war in Gaza and along Israel's other borders. Certain of our employees and consultants in Israel, in addition to employees of our service providers located in Israel, have been called, and additional employees may be called, for service in the current or future wars or other armed conflicts with Hamas as well as the other pending or future armed conflicts in which Israel is or may become engaged, and such persons may be absent for an extended period of time. As a result, our operations may be disrupted by such absences, which disruption may materially and adversely affect our business and results of operations. Additionally, the absence of employees of our Israeli suppliers and contract manufacturers, due to their military service in the current or future wars or other armed conflicts may disrupt their operations, which in turn may prevent or delay shipments of our products, harm our operations and product development and cause any future sales to decrease.

The hostilities with Hamas, Hezbollah and other organizations and countries have included and may include terror, missile and drone attacks. In the event that our facilities are damaged as a result of hostile actions, or hostilities otherwise disrupt our ongoing operations, our ability to deliver or provide products and services in a timely manner to meet our contractual obligations towards customers and vendors could be materially and adversely affected. Our commercial insurance does not cover losses that may occur as a result of events associated with war and terrorism. Although the Israeli government currently covers the reinstatement value of direct damages that are caused by terrorist attacks or acts of war, we cannot assure you that such government coverage will be maintained or that it will sufficiently cover our potential damages. Any losses or damages incurred by us could have a material adverse effect on our business.

In addition, some countries around the world restrict doing business with Israel and Israeli companies, and additional countries may impose restrictions on doing business with Israel and Israeli companies if hostilities in Israel or political instability in the region continue or increase. These restrictions may limit materially our ability to obtain raw materials from these countries or sell our products and provide our services to companies and customers in these countries. In addition, there have been increased efforts by countries, activists and organizations to cause companies and consumers to boycott Israeli goods and services. In addition, in January 2024, the International Court of Justice, or ICJ, issued an interim ruling in a case filed by South Africa against Israel in December 2023, making allegations of genocide amid and in connection with the war in Gaza, and ordered Israel, among other things, to take measures to prevent genocidal acts, prevent and punish incitement to genocide, and take steps to provide basic services and humanitarian aid to civilians in Gaza. There are concerns that companies and businesses will terminate, and may have already terminated, certain commercial relationships with Israeli companies following the ICJ decision. The foregoing efforts by countries, activists and organizations, particularly if they become more widespread, as well as the ICJ rulings and future rulings and orders of other tribunals against Israel (if handed), may materially and adversely impact our ability to and provide sell our products and services outside of Israel.

Furthermore, following Hamas' attack on Israel and Israel's security cabinet declaration of war against Hamas, the Houthi movement, which controls parts of Yemen, launched a number of attacks on marine vessels traversing the Red Sea, which marine vessels were thought to either be in route towards Israel or to be partly owned by Israeli businessmen. The Red Sea is a vital maritime route for international trade traveling to or from Israel. As a result of such disruptions, we may experience in the future delays in supplier deliveries (including electronic components and other products upon which we rely) extended lead times, and increased cost of freight, increased insurance costs, purchased materials and manufacturing labor costs. The risk of ongoing supply disruptions may further result in delayed deliveries of our products and may also have adverse impact on economic conditions in Israel.

Finally, political conditions within Israel may affect our operations. Israel has held five general elections between 2019 and 2022, and prior to October 2023, the Israeli government pursued extensive changes to Israel's judicial system, which sparked extensive political debate and unrest. In response to such initiative, many individuals, organizations and institutions, both within and outside of Israel, voiced concerns that the proposed changes may negatively impact the business environment in Israel including due to reluctance of foreign investors to invest or transact business in Israel, as well as to increased currency fluctuations, downgrades in credit rating, increased interest rates, increased volatility in security markets and other changes in macroeconomic conditions. To date, these initiatives have been substantially put on hold. If such changes to Israel's judicial system are again pursued by the government and approved by the parliament, this may have an adverse effect on our business, our results of operations and our ability to raise additional funds, if deemed necessary by our management and board of directors.

Because we incur a portion of our expenses in currencies other than the U.S. dollar, our financial condition and results of operations may be harmed by currency fluctuations and inflation.

While our reporting and functional currency is the U.S. dollar, we pay a meaningful portion of our expenses in NIS, Euros and other currencies. The salaries of our Israeli employees, many of our general and administrative expenses (including rent for our real property facility in Israel), and the fees that we pay to certain of our partners, are denominated in NIS. Certain of our suppliers are located in Europe and are paid in Euros. As a result, we are exposed to the currency fluctuation risks relating to the denomination of our future expenses in U.S. dollars. More specifically, if the U.S. dollar becomes devalued against the NIS or the Euro, our NIS- or Euro- denominated expenses will be greater than anticipated when reported in U.S. dollars. Inflation in Israel compounds the adverse impact of such devaluation by further increasing the amount of our Israeli expenses. Israeli inflation may also (in the future) outweigh the positive effect of any appreciation of the U.S. dollar relative to the NIS, if, and to the extent that, it outpaces such appreciation or precedes such appreciation. The Israeli rate of inflation did not have a material adverse effect on our financial condition during 2022 or 2023. Given our general lack of currency hedging arrangements to protect us from fluctuations in the exchange rates of the NIS or the Euro and other non-U.S. currencies in relation to the U.S. dollar (and/or from inflation of such non-U.S. currencies), we may be exposed to material adverse effects from such movements. We cannot predict any future trends in the rate of inflation in Israel or in Europe or the rate of devaluation (if any) of the U.S. dollar against the NIS or the Euro.

Provisions of Israeli law and our amended and restated articles of association may delay, prevent or make undesirable an acquisition of all or a significant portion of our shares or assets.

Certain provisions of Israeli law and our amended and restated articles of association could have the effect of delaying or preventing a change in control and may make it more difficult for a third-party to acquire us or for our shareholders to elect different individuals to our board of directors, even if doing so would be beneficial to our shareholders, and may limit the price that investors may be willing to pay in the future for our ordinary shares. For example, our amended and restated articles of association provide that our directors are elected on a staggered basis, such that a potential acquirer cannot readily replace our entire board of directors at a single annual general meeting of the shareholders. In addition, Israeli corporate law regulates mergers and requires that a tender offer be affected when more than a specified percentage of shares in a company are purchased.

Our amended and restated articles of association also include, among others things, the following restrictions which may delay, prevent or make undesirable an acquisition of all or a significant portion of our shares or assets:

- An amendment to our amended and restated articles of association generally require a vote of the holders of a majority of our outstanding ordinary shares entitled to vote present and voting on the matter at a general meeting of shareholders (referred to as simple majority), and the amendment of a number of provisions, such as the provision dividing our directors into three classes, requires a vote of the holders of at least 60% of our voting power. The affirmative vote of a majority of the directors in addition to the approval of our shareholders, is also required in order to amend our amended and restated articles of association.

- A director may not be removed except by a vote of the holders of at least 60% of our voting power, unless otherwise the director is prohibited from serving as a director under applicable law or upon a determination by the board that their physical or mental state prevents them from serving; and director vacancies may be filled by our board of directors.

- Subject to certain exceptions, we are restricted from engaging in certain business combination transactions, with any shareholder who holds 20% or more of our voting power. The transactions subject to such restrictions include mergers, consolidations and dispositions of our assets with a market value of 10% or more of our assets or outstanding shares. Subject to certain exceptions, such restrictions will apply for a period of three years following each time a shareholder became the holder of 20% or more of our voting power.

- Subject to certain exceptions, there is a restriction on certain transactions which may have a significant effect on the Company's structure, assets or business, including significant mergers and acquisitions, a disposition of all or substantially all of the assets of the Company, a voluntary dissolution and material changes to the principal business of the Company.

Further, Israeli tax considerations may make potential transactions undesirable to us or to some of our shareholders whose country of residence does not have a tax treaty with Israel granting tax relief to such shareholders from Israeli tax. With respect to certain mergers, Israeli tax law may impose certain restrictions on future transactions, including with respect to dispositions of shares received as consideration, for a period of two years from the date of the merger.

Furthermore, under the Encouragement of Research, Development and Technological Innovation in the Industry Law 5744-1984 (formerly known as the Law for the Encouragement of Research and Development in Industry 5744-1984), and the regulations and guidelines promulgated thereunder, or the Innovation Law, to which we are subject due to our receipt of grants from the Israel Innovation Authority, or IIA (formerly known as the Office of the Chief Scientist of the Ministry of Economy and Industry, or the OCS), a recipient of IIA grants such as us must report to IIA regarding any change of control of our company or regarding any change in the holding of the means of control of our company which results in any non- Israeli citizen or resident becoming an "interested party", as defined in the Innovation Law, in our company, and in the latter event, the non-Israeli citizen or resident will be required to execute an undertaking in favor of IIA, in a form prescribed by IIA, acknowledging the restrictions imposed by such law and agreeing to abide by its terms.

Investors may have difficulties enforcing a U.S. judgment, including judgments based upon the civil liability provisions of the U.S. federal securities laws against us or asserting U.S. securities laws claims in Israel.

Service of process upon us and enforcement of judgments obtained in the United States against us may be difficult to obtain within the United States. We have been informed by our legal counsel in Israel that it may be difficult to assert claims under U.S. securities laws in original actions instituted in Israel or obtain a judgment based on the civil liability provisions of U.S. federal securities laws. Israeli courts may refuse to hear a claim based on a violation of U.S. securities laws against us because Israel may not be the most appropriate forum to bring such a claim. In addition, even if an Israeli court agrees to hear a claim, it may determine that Israeli law and not U.S. law is applicable to the claim. If U.S. law is found to be applicable, the content of applicable U.S. law must be proved as a fact, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by Israeli law. There is little binding case law in Israel addressing the matters described above. Israeli courts might not enforce judgments rendered outside Israel, which may make it difficult to collect on judgments rendered against us.

Moreover, among other reasons, including but not limited to, fraud or absence of due process, or the existence of a judgment which is at variance with another judgment that was given in the same matter if a suit in the same matter between the same parties was pending before a court or tribunal in Israel, an Israeli court will not enforce a non-Israeli judgment if it was given in a state whose laws do not provide for the enforcement of judgments of Israeli courts (subject to exceptional cases) or if its enforcement is likely to prejudice the sovereignty or security of the State of Israel.

Your liabilities and responsibilities as a shareholder will be governed by Israeli law, which differs in some material respects from the U.S. law that governs the liabilities and responsibilities of shareholders of U.S. corporations.

We are incorporated under Israeli law. The rights and responsibilities of holders of our ordinary shares are governed by our amended and restated articles of association and the Israeli Companies Law 5759-1999, or the Companies Law. These rights and responsibilities differ in some respects from the rights and responsibilities of shareholders in typical U.S. corporations. In particular, pursuant to the Companies Law each shareholder of an Israeli company has to act in good faith in exercising his or her rights and fulfilling his or her obligations toward the company and other shareholders and to refrain from abusing his or her power in the company, including, among other things, in voting at the general meeting of shareholders and class meetings, on amendments to a company's articles of association, increases in a company's authorized share capital, mergers, and transactions requiring shareholders' approval under the Companies Law. In addition, a controlling shareholder of an Israeli company or a shareholder who knows that it possesses the power to determine the outcome of a shareholder vote or who has the power to appoint or prevent the appointment of a director or officer in the company, or has other powers toward the company, has a duty of fairness toward the company. However, Israeli law does not define the substance of this duty of fairness.

Because Israeli corporate law has undergone extensive revision in recent years, there is little case law available to assist in understanding the implications of these provisions that govern shareholder behavior.

Our amended and restated articles of association provide that unless we consent to an alternate forum, the federal district courts of the United States shall be the exclusive forum of resolution of any claims arising under the Securities Act which may impose additional litigation costs on our shareholders.

Our amended and restated articles of association provide that the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the Securities Act, including all causes of action asserted against any defendant to such complaint. Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both U.S. state and federal courts have jurisdiction to entertain such claims. This choice of forum provision may limit a shareholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees and may increase the costs associated with such lawsuits, which may discourage such lawsuits against us and our directors, officers and employees. Alternatively, if a court were to find these provisions of our amended and restated articles of association inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition. Any person or entity purchasing or otherwise acquiring any interest in our share capital shall be deemed to have notice of and to have consented to the choice of forum provisions of our amended and restated articles of association described above. This provision would not apply to shall not apply to causes of action arising under the Exchange Act.

Our amended and restated articles of association provide that unless the Company consents otherwise, the competent courts of Tel Aviv, Israel shall be the sole and exclusive forum for substantially all disputes between the Company and its shareholders under the Companies Law and the Israeli Securities Law, which could limit its shareholders ability to brings claims and proceedings against, as well as obtain favorable judicial forum for disputes with the Company, its directors, officers and other employees.

The competent courts of Tel Aviv, Israel shall be the exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Company to the Company or the Company's shareholders, or (iii) any action asserting a claim arising pursuant to any provision of the Companies Law or the Israeli Securities Law. This exclusive forum provisions is intended to apply to claims arising under Israeli Law and would not apply to claims brought pursuant to the Securities Act or the Exchange Act or any other claim for which federal courts would have exclusive jurisdiction. Such exclusive forum provision in our amended and restated articles of association will not relieve the Company of its duties to comply with federal securities laws and the rules and regulations thereunder, and shareholders of the Company will not be deemed to have waived the Company's compliance with these laws, rules and regulations. This exclusive forum provision may limit a shareholder's ability to bring a claim in a judicial forum of its choosing for disputes with the Company or its directors or other employees which may discourage lawsuits against the Company, its directors, officers and employees.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 1C. CYBERSECURITY

Risk management and strategy

We have implemented and maintain various information security processes designed to identify, assess, and manage material risks from cybersecurity threats to our critical computer networks, third party hosted services, communications systems, hardware and software, and our critical data, including intellectual property, confidential information that is proprietary, strategic, or competitive in nature, and clinical trial data , or Information Systems and Data.

Our Chief Compliance Officer and Head of Global Information Technology both help identify, assess, and manage the Company's cybersecurity threats and risks. We identify and assess risks from cybersecurity threats by monitoring and evaluating our threat environment using various methods including, for example manual and automated tools, analyzing reports of threats and actors, evaluating threats reported to us, evaluating our and our industry's risk profile, audits, conducting threat assessments, conducting vulnerability assessments, and conducting tabletop incident response exercises.

Depending on the environment and systems, we implement and maintain various technical, physical, and organizational measures, processes, standards, and policies designed to manage and mitigate material risks from cybersecurity threats to our Information Systems and Data, including, for example: an incident response plan, disaster recovery plans, risk assessments, network security controls, access controls, systems monitoring, and cybersecurity insurance.

Our assessment and management of material risks from cybersecurity threats are integrated into our overall risk management processes. For example, we prioritize and mitigate cybersecurity threats that are more likely to lead to a material impact to our business.

We use third-party service providers to assist us from time to time to identify, assess, and manage material risks from cybersecurity threats, including for example professional services firms, including legal counsel and cybersecurity software providers.

We use third-party service providers to perform a variety of functions throughout our business, such as hosting companies and contract research organizations. We have a vendor management program to manage cybersecurity risks associated with our use of these providers. The program includes risk assessments for certain vendors and audits. Depending on the nature of the services provided, the sensitivity of the Information Systems and Data at issue, and the identity of the provider, our vendor management process may involve different levels of assessment designed to help identify cybersecurity risks associated with a provider.

For a description of the risks from cybersecurity threats that may materially affect us and how they may do so, see our risk factors under Part 1. Item 1A. Risk Factors in this Annual Report on Form 10-K, including "*If our information technology systems or those third parties upon which we rely or our data, are or were compromised, we could experience adverse consequences resulting from such compromise, including but not limited to regulatory investigations or actions; litigation; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; loss of customers or sales; and other adverse consequences*."

We utilize information technology for internal and external communications with vendors, clinical sites, banks, investors and shareholders. Loss, disruption or compromise of these systems could significantly impact operations and results.

We are not aware of any material cybersecurity violation or occurrence. We believe our efforts toward prevention of such violation or occurrence, including system design and controls, processes and procedures, training and monitoring of system access, limit, but may not prevent unauthorized access to our systems.

Other than temporary disruption to operations that may be caused by a cybersecurity breach, we consider cash transactions to be the primary risk for potential loss. We and our financial institution take steps to minimize the risk by requiring multiple levels of authorization and other controls.

Governance

Our board of directors addresses our cybersecurity risk management as part of its general oversight function. The board of directors' Audit Committee are responsible for overseeing our cybersecurity risk management processes, including oversight and mitigation of risks from cybersecurity threats.

Our cybersecurity risk assessment and management processes are implemented and maintained by certain members of our management team, including:

- Josh Patterson, General Counsel and Chief Compliance Officer. Mr. Patterson has over 20 years of experience in legal and risk management at various biotechnology companies. Mr. Patterson has previously served as General Counsel at a large biotechnology company.

- Kelly Randis, Head of Global Information Technology. Ms. Randis is a seasoned information technology professional with substantial experience in handling cybersecurity matters who has worked at various pharmaceutical companies. Ms. Randis has previously served as the Director for Emerging Technology and Innovation at an international pharmaceutical company.

Our management is responsible for hiring appropriate personnel, helping to integrate cybersecurity risk considerations into our overall risk management strategy, and communicating key priorities to relevant personnel. Our management is responsible for approving budgets, helping prepare for cybersecurity incidents, approving cybersecurity processes, and reviewing security assessments and other security-related reports.

Our cybersecurity incident response processes are designed to escalate certain cybersecurity incidents to members of management depending on the circumstances, including Mr. Patterson. Ms. Randis works with the Company's incident response team to help the Company mitigate and remediate cybersecurity incidents of which they are notified. In addition, the Company's incident response processes include reporting to the Audit Committee of the board of directors for certain cybersecurity incidents.

The board receives regular reports from Ms. Randis concerning our significant cybersecurity threats and risk and the processes we have implemented to address them. The board also receives various reports, summaries or presentations related to cybersecurity threats, risk, and mitigation.

ITEM 2. PROPERTIES

Our principal executive offices are located at 116 Huntington Avenue, 7th Floor, Boston, Massachusetts 02116.

We believe that our existing facilities are adequate to meet our current needs, and that suitable additional or alternative spaces will be available in the future on commercially reasonable terms.

We also have a lease agreement for an approximately 52,000 square foot facility in Kiryat Gat, Israel, for which we have received a GMP certificate from the Israeli Ministry of Health and established cGMP compliance under the FDA's regulations.

ITEM 3. LEGAL PROCEEDINGS

From time to time, we may become party to litigation or other legal proceedings that we consider to be part of the ordinary course of business. We are not currently party to any material legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURE

Not Applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information and Holders

Our ordinary shares have been listed on the Nasdaq Global Market under the symbol "GMDA" since October 26, 2018.

As of March 15, 2024, we had 201 shareholders of record.

Material Israeli Tax Considerations

The following is a summary of the material Israeli tax laws applicable to us, and some Israeli Government programs benefiting us. This section also contains a discussion of some Israeli tax consequences to persons owning our ordinary shares. This summary does not discuss all the aspects of Israeli tax law that may be relevant to a particular investor in light of his or her personal investment circumstances or to some types of investors subject to special treatment under Israeli law. Examples of this kind of investor include traders in securities or persons that own, directly or indirectly, 10% or more of our outstanding voting capital, all of whom are subject to special tax regimes not covered in this discussion. Some parts of this discussion are based on a new tax legislation which has not been subject to judicial or administrative interpretation. The discussion should not be construed as legal or professional tax advice and does not cover all possible tax considerations.

SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE ISRAELI OR OTHER TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR ORDINARY SHARES, INCLUDING, IN PARTICULAR, THE EFFECT OF ANY NON-U.S., STATE OR LOCAL TAXES.

General Corporate Tax Structure in Israel

Israeli resident companies are generally subject to corporate tax on their taxable income at the rate of 23% in 2023 tax year and thereafter. However, the effective tax rate payable by a company that derives income from a Preferred Enterprise or a Technology Enterprise (as discussed below) may be considerably less. Capital gains derived by an Israeli resident company are subject to tax at the prevailing corporate tax rate.

Law for the Encouragement of Industry (Taxes), 1969

The Law for the Encouragement of Industry (Taxes), 1969, or the Industry Encouragement Law, provides certain tax benefits for an "Industrial Company". The Industry Encouragement Law defines an "Industrial Company" as an Israeli resident company incorporated in Israel, of which 90% or more of its income in any tax year, other than income from certain government loans, is derived from an "Industrial Enterprise" owned by it and located in Israel or in the "Area", in accordance with the definition in the section 3A of the Israeli Income Tax Ordinance (New Version) 1961, or the "Ordinance". An "Industrial Enterprise" is defined as an enterprise which is held by an Industrial Company whose principal activity in any given tax year is industrial production.

The following tax benefits, among others, are available to Industrial Companies:

amortization over an eight-year period of the cost of patents and rights to use a patent and know-how that were purchased in good faith and are used for the development or advancement of the Industrial Enterprise, commencing from the tax year where the Industrial Enterprise began to use them;

under certain conditions, the right to elect to file consolidated tax returns with Israeli Industrial Companies controlled by it; and

expenses related to a public offering are deductible in equal amounts over three years commencing on the year of the initial public offering.

We believe that we qualify as an "Industrial Company" within the meaning of the Industry Encouragement Law. There can be no assurance that we will continue to qualify as an Industrial Company or that the benefits described above will be available to us in the future.

Tax Benefits under the Law for the Encouragement of Capital Investments, 1959

The Law for the Encouragement of Capital Investments, 1959, generally referred to as the "Investment Law", provides certain incentives for capital investments in production facilities (or other eligible assets).

The Investment Law was significantly amended several times over the recent years, with the three most significant changes effective as of April 1, 2005, referred to in this annual report on Form 20-F as the 2005 Amendment, as of January 1, 2011, referred to in this annual report on Form 20-F as the 2011 Amendment, and as of January 1, 2017, referred to in this annual report on Form 20-F as the 2017 Amendment. Pursuant to the 2005 Amendment, tax benefits granted in accordance with the provisions of the Investment Law prior to its revision by the 2005 Amendment remain in force but any benefits granted subsequently are subject to the provisions of the amended Investment Law. Similarly, the 2011 Amendment introduced new benefits to replace those granted in accordance with the provisions of the Investment Law in effect prior to the 2011 Amendment. However, companies entitled to benefits under the Investment Law as in effect prior to January 1, 2011 were entitled to choose to continue to enjoy such benefits, provided that certain conditions are met, or elect instead, irrevocably, to forego such benefits and have the benefits of the 2011 Amendment apply. The 2017 Amendment introduces new benefits for Technology Enterprises, alongside the existing tax benefits. We did not utilize any of the benefits for which we were eligible under the Investment Law prior to the 2011 Amendment, and starting in the 2017 tax year we elected to apply for the new benefits under the 2011 Amendment.

Tax benefits under the 2011 Amendment

On December 29, 2010, the Israeli Parliament approved the 2011 Amendment. The 2011 Amendment significantly revised the tax incentive regime in Israel and commenced on January 1, 2011.

The 2011 Amendment introduced new tax benefits for income generated by a "Preferred Company" through its "Preferred Enterprise" (as such terms are defined in the Investment Law) as of January 1, 2011. The definition of a Preferred Company includes a company incorporated in Israel that is not fully owned by a governmental entity, and that has, among other things, Preferred Enterprise status and is controlled and managed from Israel.

A Preferred Company is entitled to a reduced corporate tax rate with respect to the income attributed to the Preferred Enterprise, at the following rates:

Tax Year	Development Region "A"	Other Areas within Israel
2011-2012	10%	15%
2013	7%	12.5%
2014-2016	9%	16%
2017 onwards[(1)]	7.5%	16%

(1) In December 2016, the Israeli Parliament (the Knesset) approved an amendment to the Investments Law pursuant to which the tax rate applicable to Preferred Enterprises in Development Region "A" would be reduced to 7.5% as of January 1, 2017.

In addition, Income derived by a Preferred Company from a "Special Preferred Enterprise" (as such term is defined in the Investment Law) would be entitled, during a benefits period of 10 years, to further reduced tax rates of 8%, or to 5% if the Special Preferred Enterprise is located in a Development Region "A". Since January 1, 2017, the definition for "Special Preferred Enterprise" includes less stringent conditions.

The classification of income generated from the provision of usage rights in know-how or software that were developed in the Preferred Enterprise, as well as royalty income received with respect to such usage, as preferred income is subject to the issuance of a pre-ruling from the Israel Tax Authority stipulates that such income is associated with the productive activity of the Preferred Enterprise in Israel.

Dividends distributed from income which is attributed to a "Preferred Enterprise" or to a "Special Preferred Enterprise" will be subject to withholding tax at source at the following rates: (i) Israeli resident corporations - 0%, (although, if such dividends are subsequently distributed to individuals or a non-Israeli company, the below will apply) (ii) Israeli resident individuals - 20% (iii) non-Israeli residents (individuals and corporations) - 20% (subject to the receipt in advance of a valid certificate from the Israel Tax Authority allowing for a reduced tax rate, 20%, or such lower rate as may be provided in an applicable tax treaty).

The 2011 Amendment also revised the grant track to apply only to the approved programs located in Development Region "A" and shall provide not only cash grants (as prior to the 2011 Amendment) but also the granting of loans. The rates for grants and loans shall not be fixed but up to 20% of the amount of the approved investment (may be increased with additional 4%). In addition, a company owning a Preferred Enterprise under the grant track may be entitled also to the tax benefits which are prescribed for a Preferred Enterprise.

The tax benefits under the 2011 Amendment also include accelerated depreciation and amortization for tax purposes.

New Tax Benefits under the 2017 Amendment that became Effective on January 1, 2017.

The 2017 Amendment was enacted as part of the Economic Efficiency Law that was published on December 29, 2016, and is effective as of January 1, 2017. The 2017 Amendment provides new tax benefits for two types of "Technology Enterprises", as described below, and is in addition to the other existing tax beneficial programs under the Investment Law.

The 2017 Amendment provides that a technology company satisfying certain conditions will qualify as a "Preferred Technology Enterprise" and will thereby enjoy a reduced corporate tax rate of 12% on income that qualifies as "Preferred Technology Income", as defined in the Investment Law. The tax rate is further reduced to 7.5% for a Preferred Technology Enterprise located in Development Region "A". In addition, a Preferred Technology Company will enjoy a reduced corporate tax rate of 12% on capital gain derived from the sale of certain "Benefitted Intangible Assets" (as defined in the Investment Law) to a related foreign company if the Benefitted Intangible Assets were acquired from a foreign company on or after January 1, 2017 for at least NIS 200 million, and the sale receives prior approval from IIA.

The 2017 Amendment further provides that a technology company satisfying certain conditions will qualify as a "Special Preferred Technology Enterprise" (an enterprise for which, among others, total consolidated revenues of its parent company and all subsidiaries is at least NIS 10 billion) and will thereby enjoy a reduced corporate tax rate of 6% on "Preferred Technology Income" regardless of the company's geographic location within Israel. In addition, a Special Preferred Technology Enterprise will enjoy a reduced corporate tax rate of 6% on capital gain derived from the sale of certain "Benefitted Intangible Assets" to a related foreign company if the Benefitted Intangible Assets were either developed by the Special Preferred Technology Enterprise or acquired from a foreign company on or after January 1, 2017, and the sale received prior approval from IIA. A Special Preferred Technology Enterprise that acquires Benefitted Intangible Assets from a foreign company for more than NIS 500 million will be eligible for these benefits for at least ten years, subject to certain approvals as specified in the Investment Law.

Dividends distributed by a Preferred Technology Enterprise or a Special Preferred Technology Enterprise to Israeli shareholders, paid out of Preferred Technology Income, are generally subject to withholding tax at source at the rate of 20% (in the case of non-Israeli shareholders - subject to the receipt in advance of a valid certificate from the Israel Tax Authority allowing for a reduced tax rate, 20%, or such lower rate as may be provided in an applicable tax treaty). However, if such dividends are paid to an Israeli company, no tax is required to be withheld (although, if such dividends are subsequently distributed to individuals or a non-Israeli company, the aforesaid will apply). If such dividends are distributed to a foreign company and other conditions are met, the withholding tax rate will be 4%, or a lower rate under a tax treaty, if applicable, subject to the receipt in advance of a valid certificate from the Israel Tax Authority allowing for a reduced tax rate.

We are examining the impact of the 2017 Amendment and the degree to which we will qualify as a Preferred Technology Enterprise or Special Preferred Technology Enterprise, and the amount of Preferred Technology Income that we may have, or other benefits that we may receive from the 2017 Amendment.

Taxation of the Company Shareholders

Capital Gains

Capital gain tax is imposed on the disposal of capital assets by an Israeli resident, and on the disposal of such assets by a non-Israel resident if those assets are either (i) located in Israel, (ii) are shares or a right to a share in an Israeli resident corporation, or (iii) represent, directly or indirectly, rights to assets located in Israel, unless a tax treaty between Israel and the seller's country of residence provides otherwise. The Ordinance distinguishes between "Real Capital Gain" and the "Inflationary Surplus". Real Capital Gain is the excess of the total capital gain over Inflationary Surplus computed generally on the basis of the increase in the Israeli Consumer Price Index ("CPI") between the date of purchase and the date of disposal.

The Real Capital Gain accrued by individuals on the sale of our ordinary shares (that were purchased after January 1, 2012, whether listed on a stock exchange or not) will be taxed at the rate of 25%. However, if such shareholder is a "Substantial Shareholder" (i.e., a person who holds, directly or indirectly, alone or together with such person's relative or another person who collaborates with such person on a permanent basis, 10% or more of one of the Israeli resident company's means of control) at the time of sale or at any time during the preceding twelve (12) months period and/or claims a deduction for interest and linkage differences expenses in connection with the purchase and holding of such shares, such gain will be taxed at the rate of 30%.

The Real Capital Gain derived by corporations will be generally subject to the ordinary corporate tax (23% in 2023 and thereafter).

Individual shareholders dealing in securities, or to whom such income is otherwise taxable as ordinary business income are taxed in Israel at their marginal tax rates applicable to business income (up to 47% in 2023 and thereafter excluding excess tax as discussed below).

Notwithstanding the foregoing, capital gain derived from the sale of our ordinary shares by a non-Israeli resident (whether an individual or a corporation) shareholder generally should be exempt under the Ordinance from Israeli taxation provided, among other things, that the following conditions are met: (i) the shares were purchased upon or after the Company was listed for trading on Nasdaq; (ii) such gains were not derived from a permanent business or business activity that the non-Israeli resident maintains in Israel, and (iii) neither such shareholders nor the particular gain are not subject to the Israeli Income Tax Law (Inflationary Adjustments) 5745-1985. These provisions dealing with capital gain are not applicable to a person whose gains from selling or otherwise disposing of the shares are deemed to be business income. In addition, non-Israeli corporations will not be entitled to the foregoing exemptions if an Israeli resident (i) has a controlling interest of more than 25% in such non-Israeli corporation or (ii) is the beneficiary of or is entitled to 25% or more of the revenue or profits of such non-Israeli corporation, whether directly or indirectly.

In addition, the sale of shares may be exempt from Israeli capital gain tax under the provisions of an applicable tax treaty (subject to the receipt in advance of a valid certificate from the Israel Tax Authority allowing for an exemption). For example, the U.S.-Israel Double Tax Treaty generally exempts U.S. resident holding the shares as a capital asset and is entitled to claim the benefits afforded to such a resident by the U.S.-Israel Double Tax Treaty, or a Treaty U.S. Resident, from Israeli capital gain tax in connection with such sale, provided that (i) the U.S. resident owned, directly or indirectly, less than 10% of an Israeli resident company's voting power at any time within the 12 month period preceding such sale, subject to certain conditions; (ii) the seller, being an individual, is present in Israel for a period or periods of less than 183 days in the aggregate at the taxable year; and (iii) the capital gain from the sale, exchange or disposition was not derived through a permanent establishment that the U.S. resident maintains in Israel, (iv) the capital gains arising from such sale, exchange or disposition is not attributed to real estate located in Israel; or (v) the capital gains arising from such sale, exchange or disposition is not attributed to royalties. If any such case occurs, the sale, exchange or disposition of our ordinary shares would be subject to Israeli tax, to the extent applicable. However, under the U.S.-Israel Tax Treaty, such Treaty U.S. Resident would be permitted to claim a credit for such taxes against U.S. federal income tax imposed on any gain from such sale, exchange or disposition, under the circumstances and subject to the limitations specified in the U.S.-Israel Double Tax Treaty.

In some instances where our shareholders may be liable for Israeli tax on the sale of their ordinary shares, the payment of the consideration may be subject to withholding of Israeli tax at source. Shareholders may be required to demonstrate that they are exempt from tax on their capital gains in order to avoid withholding at source at the time of sale. Specifically, in transactions involving a sale of all of the shares of an Israeli resident company, in the form of a merger or otherwise, the Israel Tax Authority may require from shareholders who are not liable for Israeli tax to sign declarations in forms specified by this authority or obtain a specific exemption from the Israel Tax Authority to confirm their status as non-Israeli resident, and, in the absence of such declarations or exemptions, may require the purchaser of the shares to withhold taxes at source.

Either the purchaser, the Israeli stockbrokers or financial institution through which the shares are held is obliged, subject to the above mentioned exemptions, to withhold tax upon the sale of securities on the amount of the consideration paid upon the sale of the securities at the rate of 25% in respect of an individual, or at a rate of corporate tax, in respect of a corporation (23% in 2023 and thereafter).

At the sale of securities traded on a stock exchange a detailed return, including a computation of the tax due, must be filed and an advanced payment must be paid on January 31 and July 31 of every tax year in respect of sales of securities made within the previous six months. However, if all tax due was withheld at source according to applicable provisions of the Ordinance and regulations promulgated thereunder the aforementioned return need not be filed provided that (i) such income was not generated from business conducted in Israel by the taxpayer, (ii) the taxpayer has no other taxable sources of income in Israel with respect to which a tax return is required to be filed and (iii) the taxpayer is not obliged to pay excess tax (as further explained below); and no advance payment must be paid. Capital gain is also reportable on the annual income tax return.

Dividend Policy

We have never declared or paid any cash dividends to our shareholders of our ordinary shares, and we do not anticipate or intend to pay cash dividends in the foreseeable future. Payment of cash dividends, if any, in the future will be at the discretion of our board of directors in compliance with applicable legal requirements and will depend on a number of factors, including future earnings, our financial condition, operating results, contractual restrictions, capital requirements, business prospects, our strategic goals and plans to expand our business, applicable law and other factors that our board of directors may deem relevant.

The Israeli Companies Law imposes further restrictions on our ability to declare and pay dividends. Payment of dividends may be subject to Israeli withholding taxes.

The Israeli Income Tax Ordinance (New Version) 1961, or the Ordinance, generally provides that a non-Israeli resident (either individual or corporation) is subject to an Israeli income tax on the receipt of dividends at the rate of 25% (30% if the dividends recipient is a "Substantial Shareholder" (as defined above), at the time of distribution or at any time during the preceding 12 months period) or 20% if the dividend is distributed from income attributed to Preferred Enterprise. Such dividends are generally subject to Israeli withholding tax at a rate of 25% so long as the shares are registered with a Nominee Company (whether the recipient is a Substantial Shareholder or not), and 20% if the dividend is distributed from income attributed to a Preferred Enterprise (in the case of non-Israeli shareholders - subject to the receipt in advance of a valid certificate from the ITA allowing for a reduced tax rate, 20%, or such lower rate as may be provided in an applicable tax treaty); If the dividend is attributable partly to income derived from a Preferred Enterprise, and partly from other sources of income, the income tax rate will be a blended rate reflecting the relative portions of the types of income. We cannot assure you that we will designate the profits that we may distribute in a way that will reduce shareholders tax liability.

For example, under the U.S.-Israel Double Tax Treaty the following rates will apply in respect of dividends distributed by an Israeli resident company to a Treaty U.S. Resident: (i) if the Treaty U.S. Resident is a corporation which holds during that portion of the taxable year which precedes the date of payment of the dividend and during the whole of its prior taxable year (if any), at least 10% of the outstanding shares of the voting shares of the Israeli resident paying corporation and not more than 25% of the gross income of the Israeli resident paying corporation for such prior taxable year (if any) consists of certain type of interest or dividends - the maximum tax rate of withholding is 12.5%, and (ii) in all other cases, the tax rate is 25%, or the domestic rate (if such is lower). Notwithstanding the foregoing, dividends distributed from income attributed to Preferred Enterprise are subject to a withholding tax rate of 15% for such U.S. corporation shareholder, provided that the condition related to our gross income for the previous year (as set forth in the previous sentence) is met. The aforementioned rates under the Israel U.S. Double Tax Treaty will not apply if the dividend income was derived through a permanent establishment that the Treaty U.S. Resident maintains in Israel. If the dividend is attributable partly to income derived from a Preferred Enterprise and partly to other sources of income, the withholding rate will be a blended rate reflecting the relative portions of the two types of income. U.S. residents who are subject to Israeli withholding tax on a dividend may be entitled to a credit or deduction for United States federal income tax purposes in the amount of the taxes withheld, subject to detailed rules contained in U.S. tax legislation.

A non-Israeli resident who receives dividend income derived from or accrued from Israel, from which the full amount of tax was withheld at source, is generally exempt from the obligation to file tax returns in Israel with respect to such income, provided that (i) such income was not generated from business conducted in Israel by the taxpayer, and (ii) the taxpayer has no other taxable sources of income in Israel with respect to which a tax return is required to be filed and (iii) the taxpayer is not obliged to pay excess tax (as further explained below).

Payers of dividends on our shares, including the Israeli shareholder effectuating the transaction, or the financial institution through which the securities are held, are generally required, subject to any of the foregoing exemption, reduced tax rates and the demonstration of a shareholder of his, her or its foreign residency, to withhold taxes upon the distribution of dividends at a rate of 25% provided that the shares are registered with a Nominee Company (for corporations and individuals).

Excess Tax

Individuals who are subject to tax in Israel (whether any such individual is an Israeli resident or non-Israeli resident) are also subject to an additional tax at a rate of 3% on annual income exceeding NIS 698,280 for 2023, which amount is linked to the annual change in the Israeli consumer price index, including, but not limited to, dividends, interest and capital gain.

Foreign Exchange Regulations

Non-residents of Israel who hold our ordinary shares are able to receive any dividends, and any amounts payable upon the dissolution, liquidation and winding up of our affairs, repayable in non-Israeli currency at the rate of exchange prevailing at the time of conversion. However, Israeli income tax is generally required to have been paid or withheld on these amounts. In addition, the statutory framework for the potential imposition of currency exchange control has not been eliminated, and may be restored at any time by administrative action.

Estate and Gift Tax

Israeli law presently does not impose estate or gift taxes.

Recent Sales of Unregistered Securities

On February 16, 2021, Gamida Cell Inc. sold $75 million of 5.875% convertible senior notes due in 2026, or the 2021 Notes, to certain funds managed by Highbridge Capital Management, LLC, which funds were accredited investors and qualified institutional buyers. The notes were sold at 100% of the principal amount thereof, are senior unsecured obligations of ours and will accrue interest at a rate of 5.875% per year and are governed by an indenture. Subject to certain limitations, the holders of the notes can elect to exchange the notes for our ordinary shares at an initial exchange rate of 56.3063 shares per $1,000 principal amount of notes (equivalent to an exchange price of $17.76 per share). The sale was made in reliance on the exemption from registration afforded by Section 4(a)(2) of the Securities Act.

On December 12, 2022, we and our wholly owned subsidiary, Gamida Cell Inc., entered into a Loan and Security Agreement, or the Loan Agreement, pursuant to which Gamida Cell Inc. borrowed an aggregate principal amount of $25.0 million through the issuance and sale of a first lien secured note, or the 2022 Note, to a fund managed by Highbridge Capital Management, LLC. The 2022 Note is exchangeable, at the option of the lenders, into our ordinary shares at an exchange rate of 0.52356 ordinary shares per $1.00 principal amount, together with a make-whole premium equal to all accrued and unpaid and remaining coupons due through the maturity date. The exchange rate is subject to adjustment in the event of ordinary share dividends, reclassifications and certain other fundamental transactions affecting the ordinary shares. We have fully and unconditionally guaranteed the obligations of Gamida Cell Inc. under the Loan Agreement and the 2021 Note and the obligations are secured by substantially all of our and our subsidiary's assets. The issuance of the ordinary shares issuable pursuant to the 2022 Note was made in reliance on the exemption from registration afforded by Section 4(a)(2) of the Securities Act.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition, changes in financial condition, plan of operations and results of operations should be read in conjunction with (i) our audited consolidated financial statements as at December 31, 2023 and December 31, 2022 and (ii) the section entitled "Business" included in this annual report. The discussion 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 many factors.

Company Overview

We are a cell therapy pioneer working to turn cells into powerful therapeutics. We apply a proprietary expansion platform leveraging the properties of nicotinamide, or NAM, to allogeneic cell sources including umbilical cord blood-derived cells and natural killer, or NK, cells to create cell therapy candidates, with the potential to redefine standards of care. On April 17, 2023, the U.S. Food and Drug Administration, or FDA, approved our allogeneic cell therapy, Omisirge (omidubicel-onlv), for use in adult and pediatric patients 12 years and older with hematologic malignancies who are planned for umbilical cord blood transplantation following myeloablative conditioning to reduce the time to neutrophil recovery and the incidence of infection.

In the first quarter of 2023, we completed a strategic reprioritization of our business activities to reduce our operating expenses and focus on the commercial launch of Omisirge® (omidubicel-onlv). The results of this reprioritization were a reduction in force of approximately 17% of our workforce, completed in the second quarter of 2023, closure of our Jerusalem research and development facility and termination of work on our preclinical NAM NK pipeline programs. We undertook these reprioritization efforts after unsuccessfully seeking a strategic partnership or other transaction, such as a royalty financing, licensing, collaboration or other similar transaction. We first engaged Moelis & Company LLC in July 2020 to pursue a royalty financing or other similar transaction related to Omisirge. Most recently, in April 2023, we engaged Moelis & Company LLC as our financial advisor and commenced a strategic review process seeking to secure a transaction that would support expanded access to Omisirge for patients and maximize value for our stakeholders. During the course of this recent strategic review process, our board of directors explored a range of alternatives, including an asset sale, merger, financing, licensing, and capital restructuring options. To date, this strategic review process has not yielded any viable strategic alternatives.

As a result, on March 26, 2024, we entered into a Restructuring Support Agreement, or the Support Agreement, with certain funds managed by Highbridge Capital Management, LLC, which funds we collectively refer to as Highbridge. These funds hold all of our exchangeable senior notes issued in 2021 and 2022, which together have an aggregate outstanding principal balance as of March 15, 2024 of approximately $80.0 million. These exchangeable senior notes represent substantially all of our outstanding debt. Pursuant to the Support Agreement, we and Highbridge have agreed to restructure all of our outstanding equity and debt in a voluntary restructuring proceeding in the District Court of Beersheba, Israel that is governed by Israeli law, referred to as our restructuring process. If this process is completed as contemplated by the Support Agreement, all outstanding ordinary shares of Gamida Cell Ltd. will be cancelled, after which Gamida Cell Ltd. will continue to exist as a private operating company that is owned entirely by Highbridge and our business will continue as a going concern with Highbridge being the only impaired creditor. Pursuant to the Support Agreement, each holder of ordinary shares of the Company as of the completion of the restructuring process will be entitled to certain CVRs pursuant to a contingent value rights agreement, or the CVR Agreement, to be executed in connection with the restructuring process. When issued, the CVRs will entitle the holders to certain cash payments totaling $27.5 million upon the achievement of certain revenue and regulatory milestones as will be more fully set forth in the CVR Agreement. Pursuant to the Support Agreement, Highbridge will fund the reorganized company following the restructuring process through a secured debt facility of $50 million, comprised of (i) $30 million of cash to be provided as soon as practicable following the completion of the restructuring process; (ii) the remaining principal amount owed under the 2022 Notes; and (iii) the remaining approximately $15 million to be provided by way of delayed draw term loans on terms and conditions to be agreed with Highbridge prior to the completion of the restructuring process. After our restructuring process, we will no longer be a public reporting company listed on Nasdaq. Except for the CVRs, we do not anticipate that our shareholders will otherwise receive any distribution or recovery (cash or otherwise) as part of the restructuring process. There is no assurance that we will complete our restructuring process as currently contemplated. If we are unable to complete our restructuring process in the second quarter of 2024, we expect that we will enter into involuntary restructuring proceedings in Israeli court and our shareholders would not receive any proceeds from such proceedings.

In connection with our restructuring process and in order to attempt to extend our financial resources beyond the second quarter of 2024, we are planning to further reduce operating expenses, primarily through a workforce reduction plan pursuant to which we expect to downsize our current workforce by approximately 25% by the closing of the restructuring process. Affected employees will be offered separation benefits, including severance payments and temporary healthcare coverage assistance, which severance payments are required under applicable Israeli law. Each affected employee's eligibility for the separation benefits is contingent upon such employee's execution of a separation agreement that includes a general release of claims against us. We estimate that the severance and termination-related costs will be approximately $1.8 million, and we expect to record these charges in the second quarter of 2024. Our remaining employees will continue to support the commercialization of Omisirge and complete our restructuring process. The costs that we expect to incur in connection with our restructuring process, including the workforce reduction, are subject to a number of assumptions, and actual results may differ materially from these expectations. We may incur additional costs not currently contemplated due to events that may occur as a result of, or that are associated with, our restructuring process and the workforce reduction plan. See "Item 1A: Risk Factors – Risks Related to Our Financial Position and Restructuring Process" for additional information.

Our financial statements have been prepared on a going concern basis under which an entity is able to realize its assets and satisfy liabilities in the ordinary course of business. The financial statements do not give effect to any adjustments relating to the carrying values and classification of assets and liabilities that would be necessary should we be unable to continue as a going concern. Our audited consolidated financial statements as of and for the year ended December 31, 2023 accompanying our previously filed annual report note that there is substantial doubt about our ability to continue as a going concern, absent sources of additional liquidity. If we are unable to complete our restructuring process as contemplated by the Support Agreement, we will likely enter involuntary restructuring proceedings in Israel and wind down our operations. There would be significant costs associated with such proceedings and wind down, such as separation of employees and termination of contracts, and we could owe certain taxes on any such transaction. If we enter involuntary restructuring proceedings, there will likely be no cash available for distribution to shareholders after payment of the foregoing expenses.

Components of Results of Operations

Revenue

We currently have one product, Omisirge, which was approved by the FDA in April 2023, and we first recognized revenue from the sale of Omisirge in the third quarter of 2023. In the future, we may generate revenue from a combination of product sales, reimbursements, up-front payments and future collaborations.

Cost of Sales

As we transitioned from a development stage company to a commercial stage company with recognized revenue, we began to report cost of sales. Cost of sales are reported using a standard costing approach based on staffed capacity. Many of these costs were previously included in research and development costs as described below.

The direct costs of sales include: materials; testing; shipping; manufacturing; quality assurance and quality control labor; and direct overheads, including manufacturing depreciation.

Royalty expenses, which are a function of the revenue in the period, are also included in cost of sales. As applicable, cost of sales will also recognize the expense for any batch failures incurred in the period.

Excess capacity

Excess capacity costs reflect labor and manufacturing overhead costs incurred, above the amount of these costs absorbed in cost of sales as part of standard costs, which are based on staffed capacity levels, given that the Kiryat Gat facility is staffed to produce the anticipated demand over the course of the coming year.

Research and development expenses, net

Our research and development expenses, net of IIA grants, consist primarily of:

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

expenses incurred under agreements with third parties, including CROs, subcontractors, suppliers and consultants, for the conduct of our preclinical studies and clinical trials;

expenses incurred to acquire, develop and manufacture preclinical study and clinical trial materials; and

facility and equipment costs, including depreciation expense, maintenance and allocated direct and indirect overhead costs.

Research and development expenses (net of grants) are recognized in the consolidated statements of operations when incurred.

Through December 31, 2023, we have received an aggregate of approximately $37.1 million in grants from the Israeli Innovation Authority, or the IIA, including from the Bereshit Consortium sponsored by the IIA, of which $34.4 million is royalty-bearing grants, and approximately $2.6 million is non-royalty-bearing grants, and all of which was awarded for research and development funding. Our total outstanding obligation to the IIA through December 31, 2023, amounts to approximately $43.7 million. Pursuant to the terms of the royalty-bearing grants, we are obligated to pay the IIA royalties at the rate of between 3.0% to 3.5% on future sales of the developed product, up to a limit of 100% of the amounts of the U.S. dollar-linked grants received, plus annual interest. Pursuant to the latest IIA regulations, grants received from the IIA before June 30, 2017 bear an annual interest rate that applied at the time of the approval of the applicable file and such interest will apply to all the funding received under that approval. Grants received from the IIA after June 30, 2017, bear an annual interest rate based on the 12-month London Interbank Offered Rate, or LIBOR, until December 31, 2023, and, as of January 1, 2024, bear an annual interest rate based on the 12-month Secured Overnight Financing Rate, or the SOFR, or in an alternative publication by the Bank of Israel, with the addition of 0.72%. Grants approved after January 1, 2024, will bear the higher of (i) the 12-month SOFR interest, plus 1% or (ii) a fixed annual interest rate of 4%. The Bereshit Consortium program does not require payments of royalties to the IIA, but all other restrictions under the Innovation Law, such as local manufacturing obligations and know-how transfer limitations, as further detailed hereunder, are applicable to the know how developed by us with the funding received in such consortium program.

In addition to paying any royalties due, we must abide by other restrictions associated with receiving such grants under the Encouragement of Research, Development and Technological Innovation in the Industry Law 5744-1984, which will also continue to apply to us following the repayment in full of the amounts due to the IIA. The Innovation Law restricts our ability to manufacture products and transfer technologies outside of Israel, and may impair our ability to enter into agreements that involve IIA-funded products or know-how without the approval of the IIA. Any approval, if given, will generally be subject to additional financial obligations by us. Failure to comply with the requirements under the Innovation Law may subject us to mandatory repayment of grants received by us, together with interest and penalties, as well as expose us to criminal proceedings.

Pursuant to the IIA's licensing rules, or the Licensing Rules, a grant recipient may enter into licensing arrangements or grant other rights in know-how developed under IIA programs outside of Israel, subject to the prior consent of the IIA and payment of license fees, calculated in accordance with the Licensing Rules. The amount of the license fees is based on various factors, including the consideration received by the licensor in connection with the license, and shall not exceed six times the amount of the grants received by the grant recipient (plus accrued interest) for the applicable know-how being licensed. In certain cases, such as when the license consideration includes nonmonetary compensation or when a "special relationship" exists between the licensor and licensee (e.g., when a party controls the other party or is the other party's exclusive distributor), or when the agreed upon consideration does not reflect, in the IIA's opinion, the market value of the license, the IIA may base the value of the transaction on an economic assessment that it obtains for such purpose.

With regard to clinical development activities, we are currently focused on completing the Phase 1 portion of the Phase 1/2 clinical trial of GDA-201 for the treatment of follicular and diffuse large B-cell lymphomas and then winding down the trial. At this time, we do not intend to further develop or commercialize GDA-201 in light of our financial constraints.

On March 27, 2023, with the objective of extending our financial resources, we announced a strategic reprioritization and a workforce reduction plan, which was completed by the end of the second quarter of 2023. We incurred charges of approximately $0.8 million for severance and other employee termination related costs, primarily in the second quarter of 2023.

Selling, general and administrative (SG&A) expenses

General and administrative expenses consist primarily of personnel costs, including share-based compensation, related to directors, executive, finance, and administrative functions, facility costs and external professional service costs, including legal, accounting and audit services and other consulting fees. Other significant expenses are related to audit, legal, regulatory and tax-related services, director and officer insurance premiums, executive compensation, and other customary costs associated with being a public company.

Financial expenses, net

Financial expenses, net, include our financing expenses from the 2022 Notes and 2021 Notes, the fair value impact on our warrants and 2022 Notes, and financing expenses relating to the issuance of warrants, after deducting financing income from deposits and marketable securities.

Income taxes

We have yet to generate taxable income in Israel, as we have historically incurred operating losses resulting in carry forward tax losses totaling approximately $348.4 million (including capital losses of $1.2 million) as of December 31, 2023. In addition, the US subsidiary has net operating losses carryforward of $56.7 million for federal tax purposes as of December 31, 2023. We anticipate that we will continue to generate tax losses for the foreseeable future and that we will be able to carry forward these tax losses indefinitely to future taxable years. Accordingly, we do not expect to pay taxes in Israel until we have taxable income after the full utilization of our carry forward tax losses. We provided a full valuation allowance, to reduce deferred tax assets to their estimated realizable value, since it is more likely than not that all of the deferred tax assets will not be realized.

Analysis of Results of Operations

Comparison of the years ended December 31, 2023 and 2022

The following table summarizes our results of operations for the years ended December 31, 2023 and 2022:

	Year ended December 31,	
	2023	2022
	(in thousands)	
Net Revenue	$ 1,784	-
Cost of Sales	1,454	-
Excess capacity [1]	$ 4,081	-
Research and development expenses, net[1]	24,308	42,692
Selling, general and administrative [1]	44,584	32,301
Other operating expenses	395	-
Total operating loss	73,038	74,993
Financial (income) expenses, net	(10,042)	4,382
Loss	62,996	79,375

(1) Includes share-based compensation expense as follows:

	Year ended December 31,	
	2023	2022
	(in thousands)	
Cost of sales	$ 9	-
Excess capacity	120	-
Research and development expenses, net	1,199	1,890
Selling, general and administrative	4,183	3,151
Total share-based compensation	$ 5,511	5,041

Net revenue

Net revenue, first recognized in the third quarter of 2023, consisted of six units of Omisirge being delivered to transplant centers in 2023.

Cost of sales

Cost of sales, first recognized in the third quarter of 2023, consists of direct manufacturing and quality costs, including manufacturing depreciation, batch failure expenses, and royalty expenses.

Excess capacity

Excess capacity was $4.1 million in the year ended December 31, 2023, compared to zero expenses in the year ended December 31, 2022. The $4.1 million increase is due to the labor and manufacturing overhead costs incurred, above the amount of these costs absorbed in cost of sales as part of standard costs, because our facility was staffed to produce Omisirge that was not sold during 2023. In 2022, there was no excess capacity and no cost of sales because Omisirge had not yet received marketing approval from the FDA.

Research and development expenses, net

Research and development expenses, net, decreased by approximately $18.4 million to $24.3 million in the year ended December 31, 2023 from $42.7 million in the year ended December 31, 2022. The decrease of $18.4 million was primarily due to change in reporting of $9.4 million, as medical affairs and indirect supply chain and quality related expenses were classified as research and development expenses in 2022 and the first two quarters of 2023, and were reclassified to selling, general and administrative expenses starting in Q3 2023. The remainder of the decrease was primarily due to a decrease in clinical activities relating to the conclusion of our omidubicel Phase 3 clinical trial and the NK related clinical and research and development spend.

Selling, general and administrative expenses

Selling, general and administrative expenses increased by approximately $12.3 million to $44.6 million in the year ended December 31, 2023, from $32.3 million in the year ended December 31, 2022. The increase was attributable mainly to the change in reporting, as certain expenses that were classified as research and development during the entirety of 2022 and the first two quarters of 2023 were reclassified to selling, general and administrative starting in the third quarter of 2023. These expenses include indirect supply chain and quality expenses of $4.4 million (including related personnel costs of $1.9 million), and medical affairs expenses of $2.5 million that consisted primarily of personnel costs of $1.6 million. Additionally, sales and marketing expenses increased by approximately $4.3 to $17.2 million in the year ended December 31, 2023, from $12.9 million in the year ended December 31, 2022. General and administrative expenses increased by approximately $1.1 million to $20.5 million in the year ended December 31, 2023, from $19.4 million in the year ended December 31, 2022. The increase was attributable to higher professional services expenses, which were incurred in part in connection with our April public offering and our business development activities.

In addition, we have annual operating lease obligations related to our Kiryat Gat and Boston facilities in aggregate of $0.9 million, which is included in cost of sales and selling, general and administrative expenses, respectively.

Financial expenses, net

Financial income/expenses, net, was $10.0 million of income in the year ended December 31, 2023, compared to $4.4 million of expenses in the year ended December 31, 2022. The $14.4 million change in financial income was primarily due to $17.5 million of non-cash income related to the valuation of warrants liability, partially offset by an increase of $1.9 million in interest expenses related to the 2022 Note, $0.6 million of non-cash loss related to the valuation of the Company's secured convertible senior notes issued in December 2022, and $0.5 million of lower interest income.

Critical Accounting Estimates

We have been devoting substantially all of our efforts to support the commercialization of Omisirge and in pursuit of a strategic transaction. In the course of such activities and our research and development activities, we have sustained operating losses and we expect such losses to continue in the foreseeable future. Our accumulated deficit as of December 31, 2023 was $479.8 million and negative cash flows from operating activities during the year ended December 31, 2023 was $79.1 million. We were unsuccessful in our efforts to seek a strategic transaction and as a result, we are undertaking our restructuring process. Based on our assessment of our financial position at the date of issuance of our consolidated financial statements for the year ended December 31, 2023, we believe that our existing capital resources will not be adequate to satisfy our expected liquidity requirements through the end of the second quarter of 2024.

While our significant accounting policies are more fully described in the notes to our consolidated financial statements appearing elsewhere in this annual report on Form 10-K, we believe that the accounting policies discussed below are critical to our financial results and to the understanding of our past and future performance, as these policies relate to the more significant areas involving management's estimates and assumptions. We consider an accounting estimate to be critical if: (i) it requires us to make assumptions because information was not available at the time or it included matters that were highly uncertain at the time we were making our estimate; and (ii) changes in the estimate could have a material impact on our financial condition or results of operations.

Convertible notes

On December 12, 2022, we entered into a Loan and Security Agreement, pursuant to which Gamida Cell Inc. issued $25.0 million in aggregate principal amount in a convertible senior note, or the 2022 Note. The 2022 Note bears interest of 7.5% which will be paid on a quarterly basis and monthly principal installment payments. The 2022 Note are exchangeable, at the option of the lenders, into ordinary shares at an exchange rate of 0.52356 ordinary shares per $1.00 principal amount, together with a make-whole premium equal to all accrued and unpaid and remaining coupons due through the maturity date. The exchange rate is subject to adjustment in the event of ordinary share dividends, reclassifications and certain other fundamental transactions affecting the ordinary shares.

We have elected the fair value option to measure the 2022 Note upon issuance, in accordance with ASC 825-10. Under the fair value option, the 2022 Note is measured at fair value each period with changes in fair value reported in the statements of operations. According to ASC 825-10, changes in fair value that are caused by changes in the instrument-specific credit risk will be presented separately in other comprehensive income (loss).

Share-based compensation

We account for share-based compensation in accordance with ASC No. 718 "Compensation - Stock Compensation," or ASC No. 718, which requires companies to estimate the fair value of equity-based payment awards on the date of grant using an option-pricing model. The value of the award is recognized as an expense over the requisite service periods, which is the vesting period of the respective award, on a straight-line basis when the only condition to vesting is continued service. We selected the binominal option-pricing model as the most appropriate fair value method for our option awards. The fair value of restricted shares, is based on the closing market value of the underlying shares at the date of grant. Since our initial public offering, the fair value of our ordinary shares has been determined based on the closing price of our ordinary shares on the Nasdaq Global Market. We recognize forfeitures of equity-based awards as they occur.

Recent Accounting Pronouncements

See note 2 of the accompanying audited consolidated financial statements for the year ended December 31, 2023.

Internal Control over Financial Reporting

Failure to achieve and maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act of 2002, or Section 404, could have a material adverse effect on our business, results of operation or financial condition. In addition, current and potential shareholders could lose confidence in our financial reporting, which could have a material adverse effect on the price of our ordinary shares. Pursuant to Section 404 and the related rules adopted by the SEC and the Public Company Accounting Oversight Board, our management is required to report on the effectiveness of our internal control over financial reporting. In addition, once we no longer qualify as an "emerging growth company" under the JOBS Act and lose the ability to rely on the exemptions related thereto discussed above, our independent registered public accounting firm will also need to attest to the effectiveness of our internal control over financial reporting under Section 404. We have completed the process of determining whether our existing internal controls over financial reporting systems are compliant with Section 404 and whether there are any material weaknesses or significant deficiencies in our existing internal controls. Based on this process, our management concluded that our internal controls over financial reporting were effective as of December 31, 2023.

Liquidity and Capital Resources

Sources of Liquidity

Since our inception, we have incurred losses and negative cash flows from our operations. For the years ended December 31, 2023 and December 31, 2022, we incurred a net loss of $63.0 million and $79.4 million, respectively, and net cash of $79.1 million and $70.4 million, respectively, was used in our operating activities. As of December 31, 2023 and December 31, 2022 we had working capital of $29.3 million and $42.3 million, respectively, and an accumulated deficit of $479.8 million and $416.8 million, respectively. Our principal sources of liquidity as of December 31, 2023 and December 31, 2022 consisted of cash and cash equivalents of $46.6 million and $64.7 million, respectively.

At-the-Market Ordinary Shares Offering

On June 5, 2023, we entered into an Amended and Restated Open Market Sale Agreement[SM] under which we have the option to offer and sell our ordinary shares having an aggregate gross sales price of up to $50.0 million from time to time through Jefferies LLC. Pursuant to the Amended and Restated Open Market Sale Agreement and upon delivery of notice by the Company, Jefferies may sell our ordinary shares under an "at the market offering." During the year ended December 31, 2023, we sold 40,515,620 ordinary shares for gross proceeds of $44.4 million, resulting in net proceeds of $43.1 million after deducting sales commissions and offering expenses of $1.3 million.

Highbridge Financings

On February 16, 2021, Gamida Cell Inc. sold $75 million of the 2021 Notes to certain funds managed by Highbridge Capital Management, LLC, which funds were accredited investors and qualified institutional buyers. The notes were sold at 100% of the principal amount thereof, are senior unsecured obligations of ours and will accrue interest at a rate of 5.875% per year and are governed by an indenture. Subject to certain limitations, the holders of the notes can elect to exchange the notes for our ordinary shares at an initial exchange rate of 56.3063 shares per $1,000 principal amount of notes (equivalent to an exchange price of $17.76 per share). The sale was made in reliance on the exemption from registration afforded by Section 4(a)(2) of the Securities Act. In connection with our restructuring process, all of the $75 million outstanding principal amount (plus accrued and unpaid interest, fees and expenses) under the 2021 Notes will be exchanged for all of the equity interests to be issued to Highbridge in the newly reorganized company.

On December 12, 2022, we and our wholly owned subsidiary, Gamida Cell Inc., entered into the Loan Agreement, pursuant to which Gamida Cell Inc. borrowed an aggregate principal amount of $25.0 million through the issuance and sale of the 2022 Note to a fund managed by Highbridge Capital Management, LLC. The 2022 Note is exchangeable, at the option of the lenders, into our ordinary shares at an exchange rate of 0.52356 ordinary shares per $1.00 principal amount, together with a make-whole premium equal to all accrued and unpaid and remaining coupons due through the maturity date. The exchange rate is subject to adjustment in the event of ordinary share dividends, reclassifications and certain other fundamental transactions affecting the ordinary shares. We have fully and unconditionally guaranteed the obligations of Gamida Cell Inc. under the Loan Agreement and the 2021 Note and the obligations are secured by substantially all of our and our subsidiary's assets. The 2022 Note will mature on December 12, 2024, unless earlier repurchased, redeemed or exchanged in accordance with the terms, and bear interest at the annual rate of 7.50%, payable on a quarterly basis, with the interest rate increasing to 12.00% at any time upon any event of default under the Loan Agreement or certain failures to register the resale of the ordinary shares issuable pursuant to the Note. As part of our restructuring process, we expect that Highbridge will provide a new secured debt facility on completion of the restructuring that will include the remaining principal amount under the 2022 Note.

The indenture Loan Agreement both contain customary representations and warranties and covenants, including a $20.0 million minimum liquidity covenant and certain negative covenants restricting dispositions, changes in business and business locations, mergers and acquisitions, indebtedness, issuances of preferred stock, liens, collateral accounts, restricted payments, transactions with affiliates, compliance with laws, and issuances of capital stock. Most of these restrictions are subject to certain minimum thresholds and exceptions. Certain of the negative covenants terminate with respect to the Loan Agreement when less than $5.0 million of principal amount is outstanding under the 2022 Notes.

Capital Resources

Overview

Through December 31, 2023, we have financed our operations primarily through private placements and public offerings of equity securities, the 2021 Notes, the 2022 Notes and through the grants received from the IIA. We also have the option to offer and sell our ordinary shares having an aggregate gross sales price of up to $50.0 million from time to time under an "at the market offering" through Jefferies LLC, or our ATM facility. During the year ended December 31, 2022, we sold 1,540,165 ordinary shares for gross proceeds of $4.4 million, resulting in net proceeds of $4.2 million after deducting sales commissions and offering expenses of $0.2 million under our ATM facility. During the year ended December 31, 2023, we sold 40,515,620 ordinary shares for net proceeds of $43.1 million, after deducting sales commissions under our ATM facility. In addition, on April 19, 2023, we entered into an underwritten public offering of 17,500,000 ordinary shares and 17,500,000 accompanying warrants at a public offering price of $1.30 per ordinary share and accompanying warrant with Piper Sandler & Co., for net proceeds of $20.9 million, after deducting underwriting discounts and commissions and estimated offering expenses.

Cash flows

The following table summarizes our statement of cash flows for the years ended December 31, 2023 and 2022:

	Year ended December 31,	
	2023	2022
	(in thousands)	
Net cash provided by (used in)		
Operating activities	$ (79,120)	(70,423)
Investing activities	(810)	34,044
Financing activities	61,772	45,144

Net cash used in operating activities

The cash used in operating activities during the aforementioned periods resulted primarily from our net losses incurred during such periods, as adjusted for non-cash charges and measurements and changes in components of working capital. Adjustments to net losses for non-cash items include fair value changes to the 2022 Note and warrants liability, share based compensation, accrued expenses and current liabilities, operating lease right-of-use assets and operating lease liabilities.

Net cash used in operating activities was $79.1 million during the year ended December 31, 2023, compared to $70.4 million used in operating activities during the year ended December 31, 2022. The $8.7 million increase in cash used was attributable primarily due to the adoption of more timely pay cycles.

Net cash provided by (used in) investing activities

Net cash used in investing activities was $(0.8) million during the year ended December 31, 2023, compared to $34.0 million provided by investing activities during the year ended December 31, 2022. The $34.8 million decrease is primarily related to a decrease of marketable securities used to fund ongoing operating activities, as all marketable securities held by the Company were sold during 2022.

Net cash provided by financing activities

Net cash provided by financing activities was $61.8 million during the year ended December 31, 2023, compared to $45.1 million during the year ended December 31, 2022. The $16.7 million increase is primarily related to net proceeds received from the issuance of ordinary shares and warrants in the April 2023 underwritten public offering and the issuance of shares through the ATM facility in 2023.

Funding Requirements

Although it is difficult to predict future liquidity requirements, we believe that our current total existing funds will not be sufficient to support our ongoing operating activities, including the restructuring process, through the end of the second quarter of 2024. These conditions raise substantial doubt about our ability to continue as a going concern, and we have undertaken our restructuring process to maximize value for our stakeholders. If we complete our restructuring process as currently contemplated, by the end of the second quarter of 2024, we will exist as a private operating company that is wholly owned by Highbridge. If we are unable to complete our restructuring process by the end of the second quarter of 2024, we will likely enter involuntary restructuring proceedings in Israel.

For more information as to the risks associated with our operational needs, see "Item 1A: Risk Factors – Risks Related to Our Financial Position and Restructuring Process."

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Our audited consolidated financial statements for the years ended December 31, 2023 and 2022 are incorporated herein by reference to pages F-1 to F-30 at the end of this report and the supplementary data is not applicable.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

We have had no changes in, or disagreements with our principal independent accountants.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We have established disclosure controls and procedures (as defined in Exchange Act Rule 13a–15(e) and 15d-15(e)) of the Securities Exchange Act of 1934. Under the supervision and with the participation of our management, we conducted an evaluation of the effectiveness of our disclosure controls and procedures as of December 31, 2023 to ensure that the information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934 is accumulated and communicated to our management, including our principal executive officer and principal financial officer as appropriate, to allow timely decisions regarding required disclosure. Our management, with participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2023. Based on that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of December 31, 2023 to provide reasonable assurance that the information required to be disclosed by us in this annual report was (a) reported within the time periods specified by SEC rules and regulations and (b) communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding any required disclosure.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Under the supervision and with the participation of our management, including our principal executive, financial and accounting officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2023 based on the framework in Internal Control-Integrated Framework 2013 issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on that evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2023.

Attestation Report of the Registered Public Accounting Firm

Because we are a non-accelerated filer, this annual report does not include an attestation report of our registered public accounting firm.

Cybersecurity

For a description of the risks from cybersecurity threats that may materially affect us and how they may do so, see our risk factors under Part 1. Item 1A. Risk Factor and Item 1C. Cybersecurity in this Annual Report on Form 10-K, including "—If our information technology systems or those third parties upon which we rely or our data, are or were compromised, we could experience adverse consequences resulting from such compromise, including but not limited to regulatory investigations or actions; litigation; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; loss of customers or sales; and other adverse consequences."

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) during the fiscal quarter ended December 31, 2023 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Internal Controls

In designing and evaluating the disclosure controls and procedures, management does not expect that our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control systems are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud.

ITEM 9B. OTHER INFORMATION

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On March 26, 2024, we engaged Ms. Coelho as an independent contractor pursuant to a Third Amended & Restated Consulting Agreement, which becomes effective April 1, 2024, referred to individually as the Third A&R Consulting Agreement, and together with the Second A&R Consulting Agreement, the Consulting Agreements. The Third A&R Consulting Agreement extends the term of Ms. Coelho's engagement through June 30, 2024.

Pursuant to the Second A&R Consulting Agreement, Ms. Coelho is eligible to earn a retention bonus of $100,000 if she remains continuously engaged with the Company through March 31, 2024. Pursuant to the Third A&R Consulting Agreement, Ms. Coelho will be eligible to earn a retention payment of $100,000 if she remains continuously engaged by the Company under the Third A&R Consulting Agreement through the earlier of (i) June 30, 2024, or (ii) the date the Company terminates the Third A&R Consulting Agreement without cause upon or following the (X) filing of a pleading to commence a dissolution, insolvency or restructuring proceeding in an Israeli court, or (Y) closing of a change of control transaction.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTION THAT PREVENTS INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Directors and Executive Officers.

The table below sets forth our directors and executive officers as of March 15, 2024. The business address for each of our executive officers and directors is c/o 116 Huntington Avenue, 7th Floor, Boston, Massachusetts 02116.

Name	Age	Position
Abigail Jenkins	48	Director, Chief Executive Officer and President
Terry Coelho	62	Chief Financial Officer
Michele Korfin	52	Chief Operating and Chief Commercial Officer
Ronit Simantov	59	Chief Medical and Chief Scientific Officer
Josh Patterson	48	General Counsel and Chief Compliance Officer
Julian Adams	69	Director
Stephen T. Wills	67	Director
Kenneth I. Moch	69	Director
Shawn C. Tomasello	65	Chairwoman of the Board of Directors
Ivan Borrello	60	Director

Executive Officers

Abigail Jenkins has served as our Chief Executive Officer, President and on our board of directors since September 2022. Ms. Jenkins brings over 20 years of leadership experience in the biopharmaceutical industry delivering life-enhancing therapies from research to commercialization for patients in need. From March 2021 through August 2022, Ms. Jenkins served as Chief Commercial and Business Officer of Lyndra Therapeutics, Inc., where she established and led global commercial, business development, corporate strategy and portfolio management across multiple therapeutic areas. From May 2018 to March 2021, Ms. Jenkins served as Senior Vice President and head of the Vaccines Business Unit of Emergent BioSolutions Inc., where she oversaw the company's largest therapeutic division from discovery through commercialization. From June 2016 to May 2018, Ms. Jenkins served as Chief Commercial Officer and U.S. business head of Aquinox Pharmaceuticals, Inc. (now Neoleukin Therapeutics, Inc.). Ms. Jenkins holds a B.A. in psychology and biology from Indiana University Bloomington and a M.S. in biotechnology and biotech business enterprise from The Johns Hopkins University, and completed the Executive Scholar Program in General Management, Business & Leadership from Northwestern University's Kellogg School of Management. In September 2022, she was recognized by PharmaVoice as one of the top 100 Most Inspiring Leaders, Disrupter category, for change-agents who are defining excellence in leadership in the biopharma industry. We believe Ms. Jenkins is qualified to serve on our board of directors because of her extensive executive leadership experience at biotechnology companies.

Terry Coelho has served as the Company's Chief Financial Officer since May 2023. Ms. Coelho has more than 35 years of experience in management and across all areas of finance at public and private companies in multiple sectors, including pharmaceuticals. She most recently served as Executive Vice President, Chief Financial Officer and Chief Business Development Officer for CinCor Pharma, Inc., a clinical-stage cardiorenal therapeutics company, from November 2021 through November 2022 having led the company's initial public offering and preparation for the company's eventual sale to AstraZeneca. Prior to that, from January 2019 to October 2021, Ms. Coelho was the Executive Vice President and Chief Financial Officer at BioDelivery Sciences International, Inc., a commercial-stage specialty pharmaceutical company acquired by Collegium Pharmaceuticals in 2022. Prior to that, Ms. Coelho served in executive roles at Balchem Corporation and at Diversey, Inc., which was acquired by Bain Capital L.P. Ms. Coelho also previously served in a series of senior financial and executive roles at Sealed Air Corporation, Mars, Inc. and Novartis Pharmaceuticals, where for seven years she held roles of increasing responsibility including as finance lead for the oncology hematology franchise and later leading global oncology development finance. Ms. Coelho is a member of the boards of directors of First Wave Biopharma Inc. (Nasdaq: FWBI), HOOKIPA Pharma Inc. (Nasdaq: HOOK) and Inotiv (Nasdaq: NOTV). Ms. Coelho is a founding advisory board member of the CFO Leadership Council (Charlotte and Raleigh chapters) and has previously served on the advisory boards for Northeastern University's M.B.A. Finance Track and for the University of North Carolina at Charlotte Women in Business. She graduated summa cum laude with a B.A. in International Relations and in Economics from The American University School of International Service in Washington, D.C. and earned her M.B.A. in Finance from the Instituto Brasileiro de Mercado de Capitais (IBMEC) in Rio de Janeiro, Brazil.

Michele Korfin has served as our Chief Operating and Chief Commercial Officer since August 2020. Prior to joining Gamida Cell, Ms. Korfin served as Chief Operating Officer at TYME Technologies, Inc., a biotechnology company focused on therapeutic candidates that target cancer metabolism, from 2018 until 2020. From 2016 until 2018, she was Vice President of Market Access at Kite Pharma, Inc., or Kite, a biotechnology company engaged in the development of cancer immunotherapy products that is now part of Gilead Sciences. At Kite, she oversaw the market access strategy, including payer relations, reimbursement and government affairs for Yescarta®, the first approved CAR-T therapy in lymphoma. She also worked closely with the manufacturing and supply chain teams at Kite to prepare for FDA approval and commercialization. Before joining Kite, Ms. Korfin spent more than a decade at Celgene Corporation (now part of Bristol Myers Squibb) in a variety of key strategic and operational roles, including overseeing the global development programs for Revlimid® in lymphoma and chronic lymphocytic leukemia. She also led Celgene Corporation's oncology sales force of over 120 representatives responsible for Abraxane®, which is now a standard of care in pancreatic cancer. Ms. Korfin serves on the board of directors of Organogenesis Holdings Inc. (Nasdaq: ORGO). Ms. Korfin holds a B.S. in pharmacy from Rutgers University and an M.B.A. from Harvard Business School. She is a Registered Pharmacist in New Jersey. She is also on the Board of Trustees of BioNJ, the organization that represents the biotechnology industry for New Jersey.

Ronit Simantov, M.D. has served as our Chief Medical Officer and Chief Scientific Officer since July 2017, bringing more than 20 years of experience in hematology and oncology research, development, registration and product launch to our company. Prior to joining Gamida Cell, Dr. Simantov served as Head of Oncology Global Medical Affairs at Pfizer Inc., where she was responsible for multiple programs including Sutent® (sunitinib), Inlyta ® (axitinib), Ibrance® (palbociclib), Bosulif® (bosutinib) and Xalkori ® (crizotinib). Prior to that, Dr. Simantov led Phase 1-3 studies as Vice President of Clinical Research for OSI Pharmaceuticals and as Chief Medical Officer for CuraGen Corporation (acquired by Celldex) where she led development of small molecules and antibody drug conjugates. Previously at Bayer HealthCare Pharmaceuticals, Ronit led the Phase 3 study of Nexavar® (sorafenib) resulting in the first approval of a tyrosine kinase inhibitor in renal cell carcinoma. Dr. Simantov serves on the board of directors of Tempest Therapeutics, Inc. (Nasdaq: TPST). Prior to joining industry, Dr. Simantov spent seven years on the academic faculty at Weill Medical College of Cornell University, where she directed the fellowship program and conducted angiogenesis and vascular biology research. Dr. Simantov has authored over 40 peer-reviewed manuscripts. Dr. Simantov holds a B.A. from Johns Hopkins University and an M.D. from New York University School of Medicine. Dr. Simantov completed a residency in internal medicine at New York Hospital Cornell Medical Center, and a fellowship in hematology and oncology at Weill Cornell Medicine.

Josh Patterson has served as our General Counsel and Chief Compliance officer since August 2021, bringing more than 20 years of experience serving as in-house counsel in the biopharmaceutical industry. Prior to joining Gamida Cell, from March 2020 until August 2021, Mr. Patterson served as General Counsel for Akcea Therapeutics, Inc., a biotechnology company that merged with Ionis Pharmaceuticals, Inc. in 2020, where he was responsible for Akcea's global legal matters, including strategic transactions and providing legal advice and counsel to the management team and board of directors. He also served as Akcea's Vice President, Legal and Corporate Secretary between March 2018 and March 2020. Prior to joining Akcea, Mr. Patterson served in various leadership positions at Ionis Pharmaceuticals, Inc., a biotechnology company that specializes in discovering and developing RNA-targeted therapeutics, most recently serving as Executive Director and Deputy General Counsel. Mr. Patterson holds a B.S. from Carthage College and a J.D. from the Syracuse University College of Law.

Non-Employee Directors

Julian Adams, Ph.D., has served on our board of directors since August 2016 and retired from his role as Chief Executive Officer of Gamida Cell in 2022 after five years of leadership for our company. Dr. Adams has more than 40 years of oncology research, development and leadership experience. Dr. Adams is currently Stand Up To Cancer's® (SU2C) President and Chief Executive Officer. He previously served as the organization's first-ever Chief Science Officer, where he led the development of strategic research priorities to enhance SU2C's research portfolio and worked closely with the Scientific Advisory Committee on research funding allocation. Previously, Dr. Adams served as President and Chief Scientific Officer at Clal Biotechnology Industries, President of Research and Development at Infinity Pharmaceuticals and Senior Vice President of Drug Discovery and Development at Millennium Pharmaceuticals. He has also held senior leadership roles in research and development at LeukoSite and ProScript. . Dr. Adams has previously served on the boards of directors of numerous biotechnology companies, and currently serves as the chairman of the board of directors of Elicio Therapeutics Inc. (Nasdaq:ELTX). Dr. Adams holds a B.S. from McGill University and a Ph.D. from the Massachusetts Institute of Technology in the field of synthetic organic chemistry. We believe Dr. Adams is qualified to sit on our board of directors because of his extensive leadership experience in oncology research and development and his knowledge of our company.

Kenneth I. Moch has served on our board of directors since July 2016. Mr. Moch has more than 35 years of experience in managing and financing biomedical technologies, and has played a key role in building five life science companies. He currently serves as president of Euclidean Life Science Advisors, LLC, where he provides management and advisory services for early-stage biotechnology companies. From 2016 to 2020, Mr. Moch served as the president and Chief Executive Officer of Cognition Therapeutics, Inc., a company developing therapies for Alzheimer's disease. He previously was the managing partner of The Salutramed Group, LLC, and served as the Chief Executive Officer of several life sciences companies, including of Chimerix, Inc., an antiviral therapeutics company focused on stem cell transplantation, and Biocyte Corporation, which pioneered the use of cord blood stem cell storage and transplantation. He began his career in biotech as a co-founder of The Liposome Company, the first lipid nanoparticle company. Mr. Moch also serves as a director of Zynerba Pharmaceuticals, Inc. (Nasdaq: ZYNE). In the public policy arena, Mr. Moch served for over 15 years as a member of the governing board of the Biotechnology Innovation Organization, or BIO, including serving as Chair of BIO's Bioethics Committee and is a previous Chairman of BioNJ. He is a founding member of the New York University Working Group on Compassionate Use and Pre-Approval Access, and a Faculty Affiliate of the Division of Medical Ethics, Department of Population Health, NYU School of Medicine. Mr. Moch holds an A.B. in biochemistry from Princeton University and an M.B.A. with emphasis in finance and marketing from the Stanford Graduate School of Business. We believe Mr. Moch is qualified to serve on our board of directors because of his experience serving as the chief executive officer of several biotechnology companies.

Shawn Tomasello has served on our board of directors since June 2019 and was appointed as Chairwoman of our board of directors in March 2023. She brings over 35 years of experience in building and leading successful biotech and pharmaceutical companies. Previously, she served as Chief Commercial Officer of Kite. Prior to joining Kite, Ms. Tomasello was Chief Commercial Officer of Commercial and Medical Affairs at Pharmacyclics, now part of AbbVie. Ms. Tomasello has also held senior leadership positions at Genentech and Celgene Corporation. Early in her career she gained valuable experience at Pfizer Laboratories, Miles Pharmaceuticals, Inc. and Proctor & Gamble Company. Ms. Tomasello currently serves on the board of directors of Cabaletta Bio Inc. (Nasdaq: CABA), 4D Molecular Therapeutics, Inc. (Nasdaq: FDMT) and AlloVir, Inc. (Nasdaq: ALVR). She previously served on the board of directors of TCR2 Therapeutics Inc. (Nasdaq: TCRR) from February 2021 until June 2023. Ms. Tomasello holds a B.S. in marketing from the University of Cincinnati and an M.B.A. from Murray State University, Kentucky. We believe Ms. Tomasello is qualified to serve on our board of directors because of her service on other boards of directors of biotechnology companies and her executive leadership experience.

Stephen T. Wills has served on our board of directors since June 2019. Mr. Wills currently serves as the Chief Financial Officer (since 1997), and Chief Operating Officer (since 2011), of Palatin Technologies, Inc., a biopharmaceutical company developing targeted, receptor-specific peptide therapeutics for the treatment of diseases with significant unmet medical need and commercial potential. Mr. Wills has served on the boards of directors of MediWound Ltd. (Nasdaq: MDWD) since April 2017. He also served on the board of directors of Amryt Pharma, plc (Nasdaq: AMYT), from September 2019 through April 2023, when the company was acquired by Chiesi Farmaceutici. . Mr. Wills also served on the board of trustees and executive committee of The Hun School of Princeton, a college preparatory day and boarding school, from 2014 to June 2023, and as its Chairman from June 2018 to June 2023. Mr. Wills, a certified public accountant, holds a B.S. in accounting from West Chester University, and an M.S. in taxation from Temple University. We believe Mr. Wills is qualified to serve on our board of directors because of his extensive experience in the finance organizations and on the boards of directors of other biotechnology companies.

Ivan Borrello, M.D., has served on our board of directors since June 2022. Dr. Borrello has served as Medical Director of the Myeloma, Bone Marrow Transplant and Cell Therapies program at the Tampa General Hospital Cancer Institute since December 2022. Prior to that, from 2008 to 2022, Dr. Borrello was an Associate Professor of Oncology at the Sidney Kimmel Comprehensive Cancer Center at Johns Hopkins University School of Medicine, where he was also an Attending Physician and Director of the Cellular Therapeutics and Multiple Myeloma programs. Dr. Borrello is a co-founder of WindMIL Therapeutics where he has served as senior clinical advisor since 2014, and is a co-founder of Meridian Therapeutics where he has served as senior clinical advisor since 2021. From 2001 to 2008, he was an Assistant Professor of Immunotherapy and Hematopoiesis, Hematologic Malignancies at Johns Hopkins Oncology Center. He did his Fellowship in Oncology at Johns Hopkins University and completed his Residency in Internal Medicine at the University of Chicago. Dr. Borrello holds a B.A. in biology from Catholic University and an M.D. from the Medical College of Virginia. We believe Dr. Borrello is qualified to sit on our board of directors because of his expertise in bone marrow transplant and cell therapy treatments.

Diversity of the Board of Directors.

Board Diversity Matrix (As of March 27, 2024)

Total Number of Directors	**6**			
	Female	**Male**	**Non-Binary**	**Did Not Disclose Gender**
Part I: Gender Identity				
Directors	2	4	-	-
Part II: Demographic Background				
African American or Black	-	-	-	-
Alaskan Native or Native American	-	-	-	-
Asian	-	-	-	-
Hispanic or Latinx	-	1	-	-
White	2	4	-	-
Two or More Races or Ethnicities	-	-	-	-
LGBTQ+	1	-	-	-
Did Not Disclose Demographic Background	-	-	-	-

Delinquent Section 16(a) Reports

Section 16(a) of the Exchange Act requires our directors and executive officers, and persons who own more than 10% of a registered class of our equity securities, to file with the SEC initial reports of ownership and reports of changes in ownership of our ordinary shares and other equity securities. Officers, directors and greater than 10% shareholders are required by SEC regulation to furnish us with copies of all Section 16(a) forms they file. Based solely on our review of the reports filed with the SEC and written representations that no other reports were required under Section 16(a) of the Exchange Act, we believe that all Section 16(a) filing requirements were met during the 2023 fiscal year.

Code of Ethics

We have adopted a written code of business conduct and ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial and accounting officer or controller, or persons performing similar functions, known as the Code of Ethics and Business Conduct. The Code of Ethics and Business Conduct is available on our website at https://www.gamida-cell.com under the Corporate Governance section of our Investors & Media page. If we make any substantive amendments to, or grant any waivers from, the code of business conduct and ethics for any officer or director, we will disclose the nature of such amendment or waiver on our website or in a current report on Form 8-K.

Material Changes to Procedures by which Shareholders may Recommend Nominees

Not applicable.

Board Practices

Our amended and restated articles of association provide that we may have between 5 and 11 directors. Our board of directors currently consists of six directors. Our board of directors has determined that Shawn Tomasello, Stephen Wills, Kenneth Moch and Ivan Borrello are independent directors within the meaning of the applicable Nasdaq listing standards. In making this determination, the Board found that none of these directors or nominees for director had a material or other disqualifying relationship with us. Our directors are divided into three classes with staggered three-year terms. Each class of directors consists, as nearly as possible, of one-third of the total number of directors constituting the entire board of directors. At each annual general meeting of our shareholders, the election or re-election of directors following the expiration of the term of office of the directors of that class of directors will be for a term of office that expires on the third annual general meeting following such election or re-election, such that from 2019 and after, at each annual general meeting the term of office of only one class of directors will expire. Each director will hold office until the annual general meeting of our shareholders in which his or her term expires, unless they are removed by a vote of 60% of the total voting power of our shareholders at a general meeting of our shareholders or upon the occurrence of certain events, in accordance with the Companies Law and our amended and restated articles of association.

Our directors are divided among the three classes as follows:

(i) the Class I directors are Abigail Jenkins, Shawn Tomasello and Stephen T. Wills, and their terms will expire at the annual general meeting of the shareholders to be held in 2025 and when their successors are elected and qualified;

(ii) the Class II director is Kenneth I. Moch and his term will expire at the annual general meeting of the shareholders to be held in 2026 and when his successor is elected and qualified; and

(iii) the Class III directors are Julian Adams and Ivan Borrello, and their terms will expire at the annual general meeting of the shareholders to be held in 2024 and when their successors are elected and qualified.

Because our ordinary shares do not have cumulative voting rights in the election of directors, the holders of a majority of the voting power represented at a shareholders meeting have the power to elect all our directors up for election or re-election.

In addition, if a director's office becomes vacant, the remaining serving directors may continue to act in any manner, provided that their number is not less than the minimum number specified in our amended and restated articles of association. If the number of serving directors is lower than five, then our board of directors may only act in an emergency or to fill the office of director which has become vacant up to a number equal to the minimum number provided for in our amended and restated articles of association, or in order to call a general meeting of our shareholders for the purpose of electing directors to fill any of our vacancies. In addition, the directors may appoint, immediately or as of a future date, additional director(s) to serve until the annual general meeting of our shareholders at which the term of the applicable class to which such director was assigned expires, provided that the total number of directors in office shall not exceed 11 directors. The office of a director that was appointed by our board of directors to fill any vacancy shall only be for the remaining period of time during which the director whose service has ended and so filled would have held office.

Pursuant to the Companies Law and our amended and restated articles of association, a resolution proposed at any meeting of our board of directors at which a quorum is present is generally adopted if approved by a vote of a majority of the directors present and eligible to vote. A quorum of the board of directors requires at least a majority of the directors then in office who are lawfully entitled to participate in the meeting. On July 27, 2022 our shareholders approved certain amendments to our amended and restated articles of association, which require an affirmative vote of two-thirds of the directors in order to approve certain transactions which may have a significant effect on our company and to approve certain business combinations with any shareholder (and its affiliates) who holds (beneficially or of record) 20% or more of the voting power in the Company and an affirmative vote of a majority of the directors to amend our amended and restated articles of association. See Exhibit 4.1 – "Description of Securities" for more information.

Under the Companies Law, the chief executive officer of a public company may not serve as the chairman of the board of directors of the company unless approved by the holders of a majority of the shares of the company represented at the meeting in person or by proxy or written ballot, for a period that shall not exceed three years for each shareholder approval, provided that:

at least a majority of the shares of non-controlling shareholders or shareholders that do not have a personal interest in the approval voted at the meeting are voted in favor (disregarding abstentions); or

the total number of shares of non-controlling shareholders or shareholders that do not have a personal interest in the approval voted against the proposal does not exceed 2% of the aggregate voting rights in the company.

In addition, under the Companies Law, our board of directors must determine the minimum number of directors who are required to have financial and accounting expertise. Under applicable regulations, a director with financial and accounting expertise is a director who, by reason of his or her education, professional experience and skill, has a high level of proficiency in and understanding of business accounting matters and financial statements. He or she must be able to thoroughly comprehend the financial statements of the listed company and initiate debate regarding the manner in which financial information is presented. In determining the number of directors required to have such expertise, the board of directors must consider, among other things, the type and size of the company and the scope and complexity of its operations. Our board of directors has determined that we require at least one director with the requisite financial and accounting expertise and that Stephen T. Wills has such financial and accounting expertise.

Alternate directors

Our amended and restated articles of association provide, as allowed by the Companies Law, that any director may, by written notice to us, appoint another person who is qualified to serve as a director to serve as an alternate director. The alternate director will be regarded as a director. Under the Companies Law, a person who is not qualified to be appointed as a director, a person who is already serving as a director or a person who is already serving as an alternate director for another director, may not be appointed as an alternate director. Nevertheless, a director who is already serving as a director may be appointed as an alternate director for a member of a committee of the board of directors as long as he or she is not already serving as a member of such committee. The term of appointment of an alternate director may be for one meeting of the board of directors or until notice is given of the cancellation of the he appointment.

External directors

Under the Companies Law, companies incorporated under the laws of the State of Israel that are "public companies," including companies with shares listed on The Nasdaq Global Market, are required to appoint at least two external directors.

Pursuant to regulations promulgated under the Companies Law, companies with shares traded on a U.S. stock exchange, including The Nasdaq Global Market, may, subject to certain conditions, "opt out" from the Companies Law requirements to appoint external directors and related Companies Law rules concerning the composition of the audit committee and compensation committee of the board of directors. In accordance with these regulations, we elected to "opt out" from the Companies Law requirement to appoint external directors and related Companies Law rules concerning the composition of the audit committee and compensation committee of the board of directors.

Under these regulations, the exemptions from such Companies Law requirements will continue to be available to us so long as: (i) we do not have a "controlling shareholder" (as such term is defined under the Companies Law), (ii) our shares are traded on a U.S. stock exchange, including The Nasdaq Global Market, and (iii) we comply with the director independence requirements, the audit committee and the compensation committee composition requirements, under U.S. laws (including applicable Nasdaq Rules) applicable to U.S. domestic issuers.

Compensation and talent committee

Under the Companies Law, the board of directors of any public company must appoint a compensation committee. Our compensation and talent committee, which consists of Stephen T. Wills, Kenneth I. Moch and Shawn C. Tomasello, assists our board of directors in determining compensation for our directors and officers. Mr. Moch serves as chairperson of the committee. Our board of directors has determined that each member of our compensation committee is independent under the Nasdaq Rules, including the additional independence requirements applicable to the members of a compensation committee.

The function of the compensation and talent committee is described in the approved charter of the committee and includes, among other things, (a) assisting the board in fulfilling its oversight responsibilities with respect to our compensation policies, plans and programs, and to review and recommend to the board for approval the compensation to be paid to our executive officers and directors; (b) assisting the board in fulfilling its responsibilities to ensure processes and programs are in place to attract, motivate, reward and retain top talent to the our executive officer ranks; (c) review and discuss with management our disclosures contained under the caption "Compensation Discussion and Analysis, when and as required by applicable rules and regulations of the SEC in effect from time to time, for use in any of our annual reports on Form 10-K, registration statements, proxy statements or information statements filed with the SEC; (d) preparing and reviewing, as applicable, certain reports and disclosures as required by applicable rules and regulations in effect from time to time; (e) assisting the board in fulfilling its responsibilities related to the compensation of directors, the chief executive officer and other "office holders" (as defined under the Companies Law); (f) assisting the Board in administering our equity incentive plans; and (g) making such other determinations in respect of compensation, compensation practices and related matters as may be required by a compensation committee under the rules of Nasdaq Stock Market or the Companies Law.

A copy of the compensation and talent committee charter is available on the "Investors & Media - Corporate Governance - Documents & Charters" page of our website www.gamida-cell.com.

Nominating and corporate governance committee

Our nominating and corporate governance committee consists of Kenneth Moch, Ivan Borrello and Shawn Tomasello. Mr. Moch serves as chairperson of the committee. The function of the nominating and corporate governance committee is described in the approved charter of the committee and includes, among other things: (a) identifying, reviewing and evaluating candidates to serve as members of the board of directors; (b) recommending nominees for election as directors, and reviewing and evaluation of incumbent members of the board of directors; (c) making recommendations to the board of directors regarding corporate governance guidelines and matters; and (d) overseeing all aspects of our corporate governance functions and ethical conduct.

A copy of the nominating and corporate governance committee charter is available on the "Investors & Media - Corporate Governance - Documents & Charters" page of our website www.gamida-cell.com.

Science and technology committee

In July 2020, the board of directors formed a science and technology committee. The science and technology committee consists of Julian Adams and Ivan Borrello. The function of the science and technology committee is described in the approved charter of the committee, and includes the review of Company matters relating to scientific and technologic capabilities and programs, reporting to the board of directors regarding such review to help facilitate the board of director's oversight of our scientific strategic direction and investment in R&D and technology. The committee also discusses significant emerging trends and issues in science and technology and considers the potential impact thereof on us.

Compliance committee

In August 2021, the board of directors formed a compliance committee, which consists of Shawn C. Tomasello and Julian Adams. Ms. Tomasello serves as chairperson of the committee. The function of the compliance committee is described in the approved charter of the committee and includes assisting the board of directors in overseeing our development, operation and monitoring of a compliance program consistent with the Office of Inspector General's compliance program guidance for pharmaceutical manufacturers (and any foreign equivalent guidance provided by relevant authorities outside the United States), as well as the identification and evaluation of our principal legal and regulatory compliance risks attendant to operating in the health care and life sciences industry.

Audit committee

Under the Companies Law, the board of directors of any public company must appoint an audit committee. Our audit committee consists of Stephen Wills, Kenneth I. Moch and Shawn Tomasello. Mr. Wills serves as chairperson of the committee. Our board of directors affirmatively determined that Stephen Wills is an audit committee financial expert as defined by the SEC rules and has the requisite financial experience as defined by the Nasdaq Stock Market Listing Rules.

The function of the audit committee is described in the approved charter of the committee and includes, among other things, (a) overseeing our accounting and financial reporting processes, the audit of our financial statements, the effectiveness of our internal control over financial reporting, systems of disclosure controls and procedures, the quality and integrity of our financial statements and reports, and prepare such reports as may be required of an audit committee under applicable rules and regulations, and the pre-approval of all audit, audit-related and all permitted non-audit services, if any, by our independent auditor, and the compensation therefor; (b) deciding whether to approve certain acts and transactions requiring the approval of the committee under the Companies Law; (c) assisting the board of directors in its oversight of (i) the integrity of our financial statements and other published financial information, (ii) our compliance with applicable financial and accounting related standards, rules and regulations and (iii) the selection, retention (subject to shareholder approval), and termination of our independent auditor; (d) determining whether there are delinquencies in our business management practices, inter alia, by consulting with our internal auditor or independent auditor, and to suggesting corrective measures to the board of directors; and (e) fulfilling any other duties of the committee as shall be required under the Companies Law, the applicable rules and regulations promulgated under the Exchange Act or applicable Nasdaq rules.

A copy of the audit committee charter is available on the "Investors & Media - Corporate Governance - Documents & Charters" page of our website www.gamida-cell.com.

Approval of transactions with related parties

Under the Companies Law, the approval of the audit committee is required to effect specified actions and transactions with office holders and controlling shareholders and their relatives, or in which they have a personal interest. See "Fiduciary duties and approval of specified related party transactions under Israeli law" below. The term "controlling shareholder" means any shareholder with the ability to direct the activities of the company, other than by virtue of being an office holder. A shareholder is presumed to be a controlling shareholder if the shareholder holds 50% or more of the voting rights in a company or has the right to appoint 50% or more of the directors of the company or its chief executive officer. For the purpose of approving transactions with controlling shareholders, the term "controlling shareholder" also includes any shareholder that holds 25% or more of the voting rights of the company if no other shareholder holds more than 50% of the voting rights in the company. For purposes of determining the holding percentage stated above, two or more shareholders who have a personal interest in a transaction that is brought for the company's approval are deemed as joint holders. As of the date of this annual report on Form 10-K, we do not have a controlling shareholder as defined under the Companies Law.

Internal auditor

Under the Companies Law, the board of directors of a public company must appoint an internal auditor based on the recommendation of the audit committee. The role of the internal auditor is, among other things, to examine whether a company's actions comply with applicable law and orderly business procedure. Under the Companies Law, the internal auditor cannot be an interested party or an office holder or a relative of an interested party or an office holder, nor may the internal auditor be the company's independent auditor or its representative. An "interested party" is defined in the Companies Law as: (i) a holder of 5% or more of the issued share capital or voting power in a company, (ii) any person or entity who has the right to designate one or more directors or to designate the chief executive officer of the company, or (iii) any person who serves as a director or as a chief executive officer of the company. Our internal auditor is Yisrael Gewirtz, who serves as a partner at Fahn Kanne Control Management Ltd.

Fiduciary duties and approval of specified related party transactions under Israeli law

Fiduciary duties of office holders

The Companies Law imposes a duty of care and a duty of loyalty on all office holders of a company.

The duty of care of an office holder is based on the duty of care set forth in connection with the tort of negligence under the Israeli Torts Ordinance (New Version), 5728-1968. The duty of care requires an office holder to act with the degree of proficiency with which a reasonable office holder in the same position would have acted under the same circumstances. The duty of care includes, among others, a duty to use reasonable means, in light of the circumstances, to obtain:

- information on the advisability of a given action brought for his or her approval or performed by virtue of his or her position; and
- all other important information pertaining to these actions.

The duty of loyalty requires an office holder to act in good faith and for the benefit of the company, and includes, among others, the duty to:

- refrain from any act involving a conflict of interest between the performance of his or her duties in the company and his or her other duties or personal affairs;
- refrain from any activity that is competitive with the business of the company;
- refrain from exploiting any business opportunity of the company for the purpose of gaining a personal benefit for himself or herself or for others; and
- disclose to the company any information or documents relating to the company's affairs which the office holder received as a result of his or her position as an office holder.

We may approve an act specified above that would otherwise constitute a breach of the duty of loyalty of an office holder, provided, that the office holder acted in good faith, the act or its approval does not harm the company, and the office holder discloses his or her personal interest, including any related material information or document, a sufficient time before the approval of such act. Any such approval is subject to the terms of the Companies Law, setting forth, among other things, the stakeholders of the company entitled to provide such approval, and the methods of obtaining such approval.

Disclosure of personal interests of an office holder and approval of acts and transactions

The Companies Law requires that an office holder promptly disclose to the company any personal interest that he or she may have and all related material information or documents relating to any existing or proposed transaction with the company. An interested office holder's disclosure must be made promptly and, in any event no later than the first meeting of the board of directors at which the transaction is considered. An office holder is not obliged to make such disclosure if the personal interest of the office holder derives solely from the personal interest of his or her relative in a transaction that is not considered as an extraordinary transaction.

Under the Companies Law, once an office holder has complied with the above disclosure requirements, a company may approve a transaction between the company and the office holder or a third-party in which the office holder has a personal interest, or approve an action by the office holder that would otherwise be deemed a breach of duty of loyalty; however, a company may not approve a transaction or action that is not performed by the office holder in good faith or unless it is in the company's interest.

Under the Companies Law, unless the articles of association of a company provide otherwise, a transaction with an office holder or a transaction with a third party in which the office holder has a personal interest and an action of an office holder that would otherwise be deemed a breach of duty of loyalty, which is not an extraordinary transaction, requires approval of the board of directors. Our amended and restated articles of association do not provide otherwise.

Under the Companies Law, an extraordinary transaction in which an office holder has a personal interest requires approval first by the company's audit committee and subsequently by the board of directors. The compensation of, or an undertaking to indemnify or insure, an office holder who is not a director requires approval first by the company's compensation committee, then by the company's board of directors, and, if such compensation arrangement or an undertaking to indemnify or insure is inconsistent with the company's stated compensation policy or if the office holder is the chief executive officer (subject to a number of exceptions), then such arrangement is subject to a Special Approval for Compensation. Arrangements regarding the compensation, indemnification or insurance of a director or the chief executive officer of the company require the approval of the compensation committee, board of directors and, subject to certain exceptions, shareholders by an ordinary majority, in that order, and in the case of the chief executive officer or under certain circumstances, a Special Approval for Compensation.

A director who has a personal interest in a matter that is considered at a meeting of the board of directors or the audit committee may generally not be present at the meeting or vote on the matter unless a majority of the directors or members of the audit committee have a personal interest in the matter, or unless the chairman of the audit committee or board of directors (as applicable) determines that he or she should be present to present the transaction that is subject to approval. If a majority of the directors have a personal interest in the matter, such matter also requires approval of the shareholders of the company.

Under the Companies Law, the definition of a "personal interest" includes the personal interest of a person in an action or a transaction of a company, including the personal interest of such person's relative or the interest of any corporation in which the person and/or such person's relative is a director or chief executive officer, a 5% or more shareholder or holds 5% or more of the voting rights, or has the right to appoint at least one director or the chief executive officer, but excluding a personal interest stemming solely from the fact of holding shares in the company. A personal interest also includes (1) a personal interest of a person who votes according to a proxy of another person, including in the event that the other person has no personal interest, and (2) a personal interest of a person who gave the proxy to another person to vote on his or her behalf, regardless of whether the proxy holder has discretion how to vote on the matter.

Under the Companies Law, an "extraordinary transaction" which requires approval is defined as any of the following:

a transaction other than in the ordinary course of business;

a transaction that is not on market terms; or

a transaction that may have a material impact on the company's profitability, assets or liabilities.

An extraordinary transaction in which an office holder has a personal interest requires approval of the company's audit committee followed by the approval of the board of directors.

Disclosure of personal interests of a controlling shareholder and approval of transactions

Under the Companies Law, the disclosure requirements that apply to an office holder also apply to a controlling shareholder of a public company. See "Item 10. Directors, Executive Officers and Corporate Governance-Board Practices - Audit committee-Approval of transactions with related parties" for a definition of controlling shareholder. Unless exempted under the Companies Law, extraordinary transactions with a controlling shareholder or in which a controlling shareholder has a personal interest, which includes transactions for the provision of services by a controlling shareholder or his or her relative, whether directly or indirectly, including through a company controlled by such controlling shareholder, and if such controlling shareholder or relative thereof is an office holder in the company, any transactions regarding his or her terms of office, require the approval of the audit committee, the board of directors and a majority of the shares voted by the shareholders of the company participating and voting on the matter in a shareholders' meeting. In addition, the shareholder approval must fulfill one of the following requirements, which we refer to as a Special Majority:

at least a majority of the shares held by shareholders who do not have a personal interest in the transaction and are voting at the meeting must be voted in favor of approving the transaction, excluding abstentions; or

the shares voted by shareholders who do not have a personal interest in the transaction who vote against the transaction represent no more than 2% of the voting rights in the company.

In addition, any extraordinary transaction with a controlling shareholder or in which a controlling shareholder has a personal interest with a term of more than three years requires approval once every three years, unless, with respect to certain transactions that are not related to provision of services or terms of office, the audit committee determines that the longer duration of the transaction is reasonable given the circumstances related thereto.

Arrangements regarding the compensation, indemnification or insurance of a controlling shareholder in his or her capacity as an office holder require the approval of the compensation committee, board of directors and shareholders by a Special Majority and the terms thereof may not be inconsistent with the company's stated compensation policy.

Pursuant to regulations promulgated under the Companies Law, certain transactions and arrangements with a controlling shareholder or his or her relative, or with directors or office holders, which would otherwise require approval of a company's shareholders, may be exempt from shareholder approval under certain conditions.

Compensation of Directors and Executive Officers

Directors. The Companies Law requires the approval of the compensation of a public company's directors (including directors who serve as executive officers and the chief executive officer) in the following order: (i) the compensation committee, (ii) the board of directors and, (iii) unless exempted under regulations promulgated under the Companies Law, the approval of the shareholders at a general meeting. If the compensation of our directors is inconsistent with our stated compensation policy, then, those provisions that must be included in the compensation policy according to the Companies Law must have been considered by the compensation committee and board of directors, and shareholder approval will also be required, provided that:

at least a majority of the shares held by all shareholders who are not controlling shareholders and do not have a personal interest in such matter, present and voting at such meeting, are voted in favor of the compensation package, excluding abstentions; or

the total number of shares of non-controlling shareholders and shareholders who do not have a personal interest in such matter voting against the compensation package does not exceed 2% of the aggregate voting rights in the company.

Executive officers other than the chief executive officer. The Companies Law requires the approval of the compensation of a public company's executive officers (other than an officer who is also a director and the chief executive officer) in the following order: (i) the compensation committee, (ii) the company's board of directors, and (iii) if such compensation arrangement is inconsistent with the company's stated compensation policy, the company's shareholders (by a special majority vote as discussed above with respect to the approval of director compensation).

However, if the shareholders of the company do not approve a compensation arrangement with an executive officer that is inconsistent with the company's stated compensation policy, the compensation committee and board of directors may override the shareholders' decision if each of the compensation committee and the board of directors provide detailed reasons for their decision in accordance with the Companies Law.

An amendment to an existing arrangement with an office holder who is not the chief executive officer or a director requires only the approval of the compensation committee, if the compensation committee determines that the amendment is not material in comparison to the existing arrangement. However, according to regulations promulgated under the Companies Law, an amendment to an existing arrangement with an office holder who is subordinate to the chief executive officer (and who is not a director) shall not require the approval of the compensation committee, if (i) the amendment is approved by the chief executive officer and the company's compensation policy determines that a non-material amendment to the terms of service of an office holder (other than the chief executive officer) may be approved by the chief executive officer and (ii) the engagement terms are consistent with the company's compensation policy.

Chief executive officer. Under the Companies Law, the compensation of a public company's chief executive officer (who is not a director) is required to be approved by: (i) the company's compensation committee; (ii) the company's board of directors, and (iii) the company's shareholders (by a special majority vote as discussed above with respect to the approval of director compensation). However, if the shareholders of the company do not approve the compensation arrangement with the chief executive officer and, provided that he or she is not also a director, the compensation committee and board of directors may override the shareholders' decision if each of the compensation committee and the board of directors provide a detailed report for their decision in accordance with the Companies Law. The approval of each of the compensation committee and the board of directors should be in accordance with the company's stated compensation policy; however, in special circumstances, they may approve compensation terms of a chief executive officer that are inconsistent with such policy provided that they have considered those provisions that must be included in the compensation policy according to the Companies Law and that shareholder approval was obtained (by a special majority vote as discussed above with respect to the approval of director compensation).

In addition, in the case of a new chief executive officer, the compensation committee may waive the shareholder approval requirement with regards to the approval of the engagement terms of a candidate for the chief executive officer position, if they determine that the compensation arrangement is consistent with the company's stated compensation policy, and that the chief executive officer did not have a prior business relationship with the company or a controlling shareholder of the company and that subjecting the approval of the engagement to a shareholder vote would impede the company's ability to employ the chief executive officer candidate.

Duties of Shareholders

Under the Companies Law, a shareholder has a duty to refrain from abusing its power in the company and to act in good faith and in an acceptable manner in exercising its rights and performing its obligations to the company and other shareholders, including, among other things, when voting at general meetings of shareholders on the following matters:

an amendment to the articles of association;

an increase in the company's authorized share capital;

a merger; and

the approval of related party transactions and acts of office holders that require shareholder approval.

A shareholder also has a general duty to refrain from discriminating against other shareholders.

The remedies generally available upon a breach of contract will also apply to a breach of the above-mentioned shareholder duties, and in the event of discrimination against other shareholders, additional remedies are available to the injured shareholder.

In addition, any controlling shareholder, any shareholder that knows that its vote can determine the outcome of a shareholder vote and any shareholder that, under a company's articles of association, has the power to appoint or prevent the appointment of an office holder, or any other power with respect to the company, has a duty to act with fairness towards the company. The Companies Law does not describe the substance of this duty, except to state that the remedies generally available upon a breach of contract will also apply in the event of a breach of the duty to act with fairness, taking the shareholder's position in the company into account.

Approval of Private Placements

Under the Companies Law and the regulations promulgated thereunder, a private placement of securities does not require approval at a general meeting of the shareholders of a company; provided however, that in special circumstances, such as a private placement completed in lieu of a special tender offer or a private placement which qualifies as a related party transaction (see "Item 10. Directors, Executive Officers and Corporate Governance-Board Practices-Fiduciary duties and approval of specified related party transactions under Israeli law"), approval at a general meeting of the shareholders of a company is required.

Exculpation, Insurance and Indemnification of Office Holders

Under the Companies Law, a company may not exculpate an office holder from liability for a breach of the duty of loyalty. A company may exculpate an office holder in advance from liability to the company, in whole or in part, for damages caused to the company as a result of a breach of the duty of care but only if a provision authorizing such exculpation is included in its articles of association. Our amended and restated articles of association include such a provision. An Israeli company may not exculpate a director from liability arising out of a breach of the duty of care with respect to a dividend or distribution to shareholders.

Under the Companies Law and the Securities Law, 5738-1968, or the Securities Law, a company may indemnify an office holder in respect of the following liabilities, payments and expenses incurred for acts performed as an office holder, either pursuant to an undertaking made in advance of an event or following an event, provided a provision authorizing such indemnification is contained in its articles of association:

a monetary liability incurred by or imposed on him or her in favor of another person pursuant to a judgment, including a settlement or arbitrator's award approved by a court. However, if an undertaking to indemnify an office holder with respect to such liability is provided in advance, then such undertaking must be limited to certain events which, in the opinion of the board of directors, can be foreseen based on the company's activities when the undertaking to indemnify is given, and to an amount or according to criteria determined by the board of directors as reasonable under the circumstances, and such undertaking shall detail the foreseen events and described above amount or criteria; reasonable litigation expenses, including reasonable attorneys' fees, incurred by the office holder as (1) a result of an investigation or proceeding instituted against him or her by an authority authorized to conduct such investigation or proceeding, provided that (i) no indictment was filed against such office holder as a result of such investigation or proceeding; and (ii) no financial liability was imposed upon him or her as a substitute for the criminal proceeding as a result of such investigation or proceeding or, if such financial liability was imposed, it was imposed with respect to an offense that does not require proof of criminal intent; or (2) in connection with a monetary sanction; a monetary liability imposed on him or her in favor of an injured party at an Administrative Procedure (as defined below) pursuant to Section 52(54)(a)(1)(a) of the Securities Law;

expenses incurred by an office holder or certain compensation payments made to an injured party that were instituted against an office holder in connection with an Administrative Procedure under the Securities Law, including reasonable litigation expenses and reasonable attorneys' fees; and

reasonable litigation expenses, including attorneys' fees, incurred by the office holder or imposed by a court in proceedings instituted against him or her by the company, on its behalf or by a third party or in connection with criminal proceedings in which the office holder was acquitted or as a result of a conviction for an offense that does not require proof of criminal intent.

"Administrative Procedure" is defined as a procedure pursuant to chapters H3 (Monetary Sanction by the Israeli Securities Authority), H4 (Administrative Enforcement Procedures of the Administrative Enforcement Committee) or I1 (Arrangement to prevent Procedures or Interruption of procedures subject to conditions) to the Securities Law.

Under the Companies Law and the Securities Law, a company may insure an office holder against the following liabilities incurred for acts performed by him or her as an office holder if and to the extent provided in the company's articles of association:

a breach of duty of care to the company or to a third party, to the extent such a breach arises out of the negligent conduct of the office holder;

a breach of duty of loyalty to the company, provided that the office holder acted in good faith and had a reasonable basis to believe that the act would not harm the company;

a monetary liability imposed on the office holder in favor of a third party;

a monetary liability imposed on the office holder in favor of an injured party at an Administrative Procedure pursuant to Section 52(54)(a)(1)(a) of the Securities Law; and

expenses incurred by an office holder in connection with an Administrative Procedure instituted against him or her, including reasonable litigation expenses and reasonable attorneys' fees.

Under the Companies Law, a company may not indemnify, exculpate or insure an office holder against any of the following:

a breach of duty of loyalty, except for indemnification and insurance for a breach of the duty of loyalty to the company to the extent that the office holder acted in good faith and had a reasonable basis to believe that the act would not harm the company;

a breach of the duty of care committed intentionally or recklessly, excluding a breach arising out of the negligent conduct of the office holder;

an act or omission committed with intent to derive illegal personal benefit; or

a fine, monetary sanction or forfeit levied against the office holder.

Under the Companies Law, exculpation, indemnification and insurance of office holders must be approved by the compensation committee and the board of directors and, with respect to certain office holders or under certain circumstances, also by the shareholders. See "Item 10. Directors, Executive Officers and Corporate Governance-Board Practices-Fiduciary duties and approval of specified related party transactions under Israeli law."

Our amended and restated articles of association permit us to, exculpate, indemnify and insure our office holders as permitted under the Companies Law. Our office holders are currently covered by a directors and officers' liability insurance policy. As of the date of this registration statement, no claims for directors' and officers' liability insurance have been filed under this policy, we are not aware of any pending or threatened litigation or proceeding involving any of our directors or officers in which indemnification is sought, nor are we aware of any pending or threatened litigation that may result in claims for indemnification by any director or officer.

We have entered into agreements with each of our directors and executive officers exculpating them, to the fullest extent permitted by law, from liability to us for damages caused to us as a result of a breach of duty of care, and undertaking to indemnify them to the fullest extent permitted by law. The insurance is subject to our discretion depending on its availability, effectiveness and cost. Effective as November 17, 2021, the maximum amount set forth in such agreements is (1) with respect to indemnification in connection with a public offering of our securities by us, the gross proceeds raised by us and/or any selling shareholder in such public offering, and (2) with respect to all other permitted indemnification, the greater of (i) an amount equal to 25% of our shareholders' equity on a consolidated basis, according to our most recent financial statements as of the time of the actual payment of indemnification; (ii) $150 million and (iii) 40% of the company total market cap, which means the average closing price of our ordinary shares over the 30 trading days prior to the actual payment of indemnification multiplied by the total number of our issued and outstanding shares as of the date of actual payment). In the opinion of the SEC, indemnification of directors and executive officers for liabilities arising under the Securities Act however, is against public policy and therefore unenforceable.

ITEM 11. EXECUTIVE COMPENSATION

Summary Compensation Table

The table below provides information with respect to the fiscal years ended December 31, 2023 and December 31, 2022 regarding the compensation of the principal executive officer and the two most highly paid executive officers at the end of fiscal year 2023. In addition, the table below reflects the compensation granted to our five most highly compensated office holders (as defined in the Companies Law) during or with respect to the year ended December 31, 2023 and 2022. Such executive officers and office holders are referred to herein as our Covered Executives.

Name and Principal Position	Year	Salary ($)	Share Awards[1] ($)	Option Awards[1] ($)	Nonequity Incentive Plan Compensation ($)	Total ($)
Abigail Jenkins	2023	570,833	246,979	431,496	115,000	1,364,309
Chief Executive Officer[2]	2022	156,538	52,664	101,793	—	310,996
Terry Coelho[3]	2023	1,049,098	—	6,609	—	1,055,707
Chief Financial Officer	2022	—	—	—	—	—
Michele Korfin[4]	2023	477,250	252,768	510,748	439,780	1,680,546
Chief Operating and Commercial Officer	2022	454,964	193,079	434,208	150,500	1,232,751
Ronit Simantov[5]	2023	477,250	223,792	211,851	427,430	1,340,323
Chief Medical and Chief Scientific Officer	2022	457,160	189,710	245,237	135,150	1,027,257
Josh Patterson	2023	441,667	144,449	184,399	391,000	1,161,515
General Counsel and Chief Compliance Officer	2022	396,667	105,600	139,939	82,000	724,206

(1) For further information about the assumptions used for the valuation of the Share Awards and Option Awards, see Note 11 to Consolidated Financial Statements elsewhere in this Annual Report.

(2) Ms. Jenkins joined us as President, Chief Executive Officer and Director, effective September 19, 2022. The non-equity incentive compensation Ms. Jenkins received in 2023 is comprised of her performance-based annual bonus.

(3) Ms. Coelho joined us as Chief Financial Officer in May 2023 and is compensated under a consulting arrangement at the rate of $500 per hour for services rendered.

(4) In 2023, the non-equity incentive compensation Ms. Korfin received was comprised of a performance-based annual bonus of $183,000 and retention bonuses of $256,780. In 2022, the non-equity incentive compensation Ms. Korfin received was comprised of a performance-based annual bonus of $86,000 and retention bonuses of $64,500.

(5) In 2023, the non-equity incentive compensation Dr. Simantov received was comprised of a performance-based annual bonus of $177,000 and retention bonuses of $250,430. In 2022, the non-equity incentive compensation Dr. Simantov received was comprised of $77,000 performance-based annual bonus and retention bonuses of $58,150.

Narrative Disclosure to Summary Compensation Table

Compensation Philosophy and Objectives

Our executive compensation program is designed to attract, motivate and retain highly experienced leaders who will contribute to our success and enhance shareholder value, while demonstrating professionalism in a highly achievement-oriented culture. Our program is based on merit and rewards excellent performance in the long term, and it aims to embed our core values within our leadership team's behavior.

To that end, our program is designed, where possible:

- To closely align the interests of the executive officers with those of our shareholders in order to enhance shareholder value;
- To align a significant portion of the executive officers' compensation with our short and long-term goals and performance;
- To provide the executive officers with a structured compensation package, including competitive salaries, performance-motivating cash and equity incentive programs and benefits;
- To strengthen the retention and the motivation of executive officers in the long term, and to be able to present to each executive officer an opportunity to advance in a growing organization;
- To provide appropriate awards in order to incentivize superior individual performance; and
- To maintain consistency in the way executive officers are compensated.

Our executive compensation program was prepared taking into account our size and business and financial characteristics.

Role of the Compensation Committee and Executive Officers in Setting Executive Compensation

The compensation and talent committee of our Board, or the compensation and talent committee, is responsible for determining our executives' compensation. During the past fiscal year, after taking into consideration the six factors described above, the compensation and talent committee engaged Radford, which is part of Aon plc, as its compensation consultant. Our compensation and talent committee selected Radford based on Radford's general reputation in the industry. The compensation and talent committee requested that Radford:

evaluate the efficacy of our existing compensation strategy and practices in supporting and reinforcing our long-term strategic goals; and

assist in refining our compensation strategy and in developing and implementing an executive compensation program to execute that strategy.

As part of its engagement, the compensation and talent committee also requested that Radford develop a group of comparator companies and to perform analyses of competitive performance and compensation levels for that group, and finally, to develop recommendations for our executive compensation program that were presented to the compensation and talent committee for its consideration. Following an active dialogue with Radford, the compensation and talent committee approved the recommendations.

Historically, the compensation and talent committee has made significant adjustments to annual compensation, determined bonus and equity awards and established new performance objectives at one or more meetings held during the first quarter of the year. However, the compensation and talent committee also considers matters related to individual compensation, such as compensation for new executive hires, as well as high-level strategic issues, such as the efficacy of our compensation strategy, potential modifications to that strategy and new trends, plans or approaches to compensation, at various meetings throughout the year. Generally, the compensation and talent committee's process comprises two related elements: the determination of compensation levels and the establishment of performance objectives for the current year. For all executives other than the chief executive officer, our compensation and talent committee typically reviews and discusses each executive's performance and his or her proposed compensation with our chief executive officer. Based on those discussions and at its discretion, the compensation and talent committee then determines the compensation of each executive officer for approval by the board of directors. The chief executive officer may not participate in, or be present during, any deliberations or determinations of the compensation and talent committee regarding his or her compensation and his or her compensation is subjected to shareholder approval. The compensation and talent committee evaluates the chief executive officer and makes recommendations to the board of directors regarding the chief executive officer's compensation, which is then approved by the full board of directors in its discretion. In determining the performance and compensation of all executives and directors, as part of its deliberations, the compensation and talent committee may review and consider, as appropriate, materials such as financial reports and projections, operational data, tax and accounting information, tally sheets that set forth the total compensation that may become payable to executives in various hypothetical scenarios, executive and director stock ownership information, Company stock performance data, analyses of historical executive compensation levels and current Company-wide compensation levels, as well as recommendations from the committee's compensation consultant, including analyses of executive and director compensation paid at other companies identified by the consultant.

The compensation and talent committee also evaluates our executive compensation program in light of our shareholders' views and our transforming business needs and expects to continue to consider the outcome of our "say on pay" votes and our shareholders' views when making future executive compensation decisions. The compensation programs for our executives are also subject to the approval of our board of directors and in the case of our chief executive officer and directors, and certain other cases, the approval of our shareholders. For additional information regarding our executive compensation program, see "Item 10. Directors, Executive Officers and Corporate Governance—Compensation of Directors and Executive Officers."

Executive Compensation Program

The annual compensation arrangements for our Covered Executives consist of an annual base salary and long-term incentive compensation in the form of equity awards. Our Covered Executives are also eligible to receive short-term incentive compensation in the form of annual incentive awards, which may be paid in cash or equity-based awards. We have historically emphasized the use of equity to provide incentives for our Covered Executives, to focus on the growth of our overall enterprise value and, correspondingly, to create sustainable value for our shareholders.

Annual Base Compensation

We have entered into agreements with each of our Covered Executives that establish annual base compensation, which are generally reviewed and approved in the first quarter of the fiscal year by our compensation and talent committee. Annual base salaries or fees are intended to provide a fixed component of compensation to our Covered Executives, in order to compensate our Covered Executives for the satisfactory performance of their duties, reflecting their experience, expertise, roles and responsibilities.

Base compensation for our Covered Executives have generally been set at levels deemed necessary to attract and retain individuals with superior talent. Merit-based increases to compensation are based on our chief executive officer's assessment of the individual executive's performance, the recommendations made by the chief executive officer and the competitive market in which we operate for talent.

The following table presents the annual base salaries or fees earned by each of our Covered Executives during the fiscal years ended 2023 and 2022, respectively, as determined by the board of directors or compensation and talent committee, as applicable:

Name and Title	2023 Base Salary ($)	2022 Base Salary ($)
Abigail Jenkins – Chief Executive Officer[1]	575,000	156,538
Terry Coelho – Chief Financial Officer[2]	1,049,098	—
Michele Korfin – Chief Operating and Commercial Officer	480,700	460,000
Joshua Patterson – General Counsel	450,000	400,000
Dr. Ronit Simantov – Chief Medical and Chief Scientific Officer	480,700	460,000

(1) Ms. Jenkins's employment with us commenced on September 19, 2022. Pursuant to the terms of Ms. Jenkins's employment agreement dated September 18, 2022, or the Jenkins Employment Agreement, Ms. Jenkins had an annual base salary of $550,000 in 2022 and her base salary amount for 2022 was a pro-rated amount for the partial year of service.

(2) Ms. Coelho's engagement with us commenced on May 22, 2023. Ms. Coelho is compensated under a consulting arrangement at the rate of $500 per hour for services rendered.

Annual Incentive Compensation

Our Covered Executives, excluding Ms. Coelho, are eligible to receive annual incentive compensation based on the satisfaction of individual and corporate performance objectives established by the Board of Directors. Each named executive office has a target annual incentive opportunity, calculated as a percentage of annual base compensation, and may earn more or less than the target amount based on our Company's and his or her individual performance. The 2023 target annual incentive opportunity for each of our Covered Executives is set forth below:

Named Executive Officer	Target Bonus % of Salary	Target Bonus ($)
Abigail Jenkins	50%	287,500
Terry Coelho	—%	—
Michele Korfin	40%	192,280
Josh Patterson	40%	180,000
Dr. Ronit Simantov	40%	192,280

On January 31, 2024, the board of directors, upon recommendation of the compensation and talent committee, approved the annual incentives to be paid to the Covered Executives for performance in 2023 consistent with our compensation policy for executive officers and directors, which amounts are reported in the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table above. The board of directors determined that the corporate goals had been achieved at 65% of the overall target, and that as a baseline, the achievement of the corporate goals and individual goals would account for 75% and 25%, respectively, of each named executive officer's 2023 annual incentive payout (other than the President and Chief Executive Officer, Abigail Jenkins). With respect to Ms. Jenkins, the board of directors determined that as a baseline, the achievement of the corporate goals and individual goals would account for 100% and 0%, respectively, of her 2023 annual incentive payout. In light of the Company's current financial situation, and to maximize the allocation of the 2023 annual merit budget to non-executive employees for their 2024 annual salary increases, each of the named executive officers has agreed to forego any base salary increase for 2024.

Equity-Based Awards

Our equity-based incentive awards granted to our Covered Executives are designed to align the interests of our Covered Executives with those of our shareholders. Vesting of equity awards is generally tied to each officer's continuous service with us and serves as an additional retention measure. Our executives generally are awarded an initial new hire grant upon commencement of employment and thereafter on an annual basis, subject to the discretion of the Board or compensation and talent committee, as applicable. The equity awards described in this section are included in the "Share Awards" and "Option Awards" columns, as applicable, of the Summary Compensation Table above.

In 2023, we granted a blend of options, RSUs and restricted share unit awards to our Covered Executives. We believe this blended approach will enable us to deliver competitive equity awards and enhances the retention of key talent.

Retirement Benefits and Other Compensation

Our Covered Executives did not participate in, or otherwise receive any benefits under, any pension, retirement or deferred compensation plan sponsored by us during 2023 or 2022, except for customary 401(k) matching contribution for our U.S. based Covered Executives. Our Covered Executives are eligible to participate in our benefit programs on the same basis as all employees of our Company. We generally do not provide perquisites or personal benefits to our Covered Executives except in limited circumstances, and we did not provide any perquisites or personal benefits to our Covered Executives in 2023 or 2022.

Agreements with Our Covered Executives and Potential Payments upon Termination or Change in Control

We have entered into an agreement with each of our Covered Executives that provides for the basic terms of their employment or engagement with us, including cash compensation, annual incentive opportunity and equity grants, as well as certain severance and change of control benefits. Each of our Covered Executives other than Ms. Coelho is employed at will and may be terminated at any time for any reason.

Abigail Jenkins

We entered into an at-will employment agreement with Ms. Jenkins on September 18, 2022, as amended on March 12, 2024. Under the terms of her employment agreement, Ms. Jenkins is eligible to receive a base salary of $575,000 with an annual target incentive opportunity of up to 50% of her annual base salary. In connection with her employment agreement, Ms. Jenkins entered into a covenant not to disclose our confidential information during her employment term and an assignment of intellectual property rights. Ms. Jenkins is also subject to a non-competition provision for a period of 6 months from her last day of employment in the event of her separation from the Company following a termination of her employment for any reason.

Potential Payments Upon Termination or Acceleration Upon Change in Control

Ms. Jenkins's employment may be terminated (a) by us at any time for cause (as defined in her employment agreement), or (b) by us or Ms. Jenkins for any reason. In the event of Ms. Jenkins's resignation for any reason or a termination by the Company without cause, the terminating party will give the other party one month's notice of such termination. The Company has the right to determine whether or not Ms. Jenkins will attend work during the one month notice period, but in either case, Ms. Jenkins shall be entitled to receive her base salary in effect, less applicable deductions and withholdings, during the one month notice period.

If Ms. Jenkins's employment is terminated without cause or Ms. Jenkin terminates her employment for any reason, then Ms. Jenkins will receive a payment equal to the sum of the base salary through the date of termination, reimbursement for approved but unpaid business expenses through the date of termination, fully earned and declared (by the board of directors of Gamida Cell Ltd.) annual target bonus (as defined in Ms. Jenkins's employment agreement) as of the date of termination which was not paid yet, any other amount and/or entitlement owed to her pursuant to applicable law upon such termination, and, if applicable, the non-compete payments as described in Ms. Jenkins's employment agreement. Specifically, if Ms. Jenkins's employment is terminated without cause or Ms. Jenkins terminates her employment for good reason (each, as defined in Ms. Jenkins' employment agreement), then subject to certain conditions, Ms. Jenkins will be entitled to receive a non-compete payment of (i) a lump sum equal to 9 months of Ms. Jenkins's annual base salary, less applicable deductions and withholdings and less any severance pay-related amounts (if any) then paid, payable or accrued and released to or for his benefit, and (ii) a lump sum equal to the cash value of 9 months of Ms. Jenkins's applicable COBRA premiums, less applicable deductions and withholdings; provided, however, Ms. Jenkins will be eligible to receive an amount equal to the cash value of up to 10 months of her applicable COBRA premiums, less applicable deductions and withholdings, in the event the Company waives all or part of the one month notice period described above.

In the event of a change in control of the Company, if Ms. Jenkins's employment is terminated by the Company without cause, or if she resigns on account of good reason (each, as defined in Ms. Jenkins's employment agreement), in each case within 12 months following such change in control, then any options and other equity awards of the Company that have been granted to Ms. Jenkins prior to the change in control and are outstanding as of the date of termination shall fully vest and become exercisable on such date in accordance with the terms of the applicable plans.

Any rights to a transaction bonus were voided pursuant to Ms. Jenkins's amended employment agreement.

Terry Coelho

We engaged Ms. Coelho as an independent contractor pursuant to a Second Amended & Restated Consulting Agreement, which became effective on December 31, 2023, or the Second A&R Consulting Agreement. Under the terms of the Second A&R Consulting Agreement, Ms. Coelho will be engaged until March 31, 2024, unless the agreement is terminated by either party prior thereto by giving 30 days advance written notice, or a material breach of the agreement occurs and is not cured within a 10 day notice period.

On March 26, 2024, we engaged Ms. Coelho as an independent contractor pursuant to a Third Amended & Restated Consulting Agreement, which becomes effective April 1, 2024, referred to individually as the Third A&R Consulting Agreement, and together with the Second A&R Consulting Agreement, the Consulting Agreements. The Third A&R Consulting Agreement extends the term of Ms. Coelho's engagement through June 30, 2024.

Under the Consulting Agreements, Ms. Coelho is compensated by a consulting fee at the rate of $500.00 per hour. The Company and Ms. Coelho expect that Ms. Coelho will provide services for at least 40 hours per week, but no more than 60 hours in a given week without commercially reasonably efforts to obtain prior express authorization of the Company's Chief Executive Officer. In connection with the Consulting Agreements, Ms. Coelho entered into a covenant not to disclose our confidential information during her engagement, an assignment of intellectual property rights, and is subject to non-solicitation provisions during her engagement for a period of 12 months thereafter.

Potential Payments Upon Termination or Change in Control

Ms. Coelho is not eligible for any payments upon termination or Change in Control.

Ms. Coelho was awarded options to purchase 10,000 ordinary shares of the Company pursuant to the Company's 2017 Share Incentive Plan, which options will vest on the earlier of a change of control transaction, on the one hand, or May 22, 2024, on the other.

Retention Payments

Pursuant to the Second A&R Consulting Agreement, Ms. Coelho is eligible to earn a retention bonus of $100,000 if she remains continuously engaged with the Company through March 31, 2024. Pursuant to the Third A&R Consulting Agreement, Ms. Coelho will be eligible to earn a retention payment of $100,000 if she remains continuously engaged by the Company under the Third A&R Consulting Agreement through the earlier of (i) June 30, 2024, or (ii) the date the Company terminates the Third A&R Consulting Agreement without cause upon or following the (X) filing of a pleading to commence a dissolution, insolvency or restructuring proceeding in an Israeli court, or (Y) closing of a change of control transaction.

Michele Korfin

We entered into an at will employment agreement with Ms. Korfin on July 20, 2020, as amended most recently on March 12, 2024. Under the terms of her employment agreement, Ms. Korfin is eligible to receive a base salary of $480,700 and an annual target incentive opportunity of up to 40% of her annual base salary. In connection with her employment agreement, Ms. Korfin entered into a covenant not to disclose our confidential information during her employment term and an assignment of intellectual property rights. Ms. Korfin is also subject to a non-competition provision for a period of 6 months from her last day of employment in the event of her separation from the Company following a termination of her employment for any reason.

Potential Payments Upon Termination or Acceleration Upon Change in Control

Ms. Korfin's employment may be terminated (a) by us at any time for cause (as defined in Ms. Korfin's employment agreement), or (b) by us or Ms. Korfin for any reason. In the event of Ms. Korfin's resignation for any reason or a termination by the Company without cause, the terminating party will give the other party one month's notice of such termination. The Company shall have the right to determine whether or not Ms. Korfin will attend work during the one month notice period, but in either case, Ms. Korfin shall be entitled to receive her base salary in effect, less applicable deductions and withholdings, during the one month notice period.

If Ms. Korfin's employment is terminated without cause or Ms. Korfin terminates her employment for any reason, then Ms. Korfin will receive a payment equal to the sum of the base salary through the date of termination, reimbursement for approved but unpaid business expenses through the date of termination, fully earned and declared (by the board of directors of Gamida Cell Ltd.) annual target bonus (as defined in Ms. Korfin's employment agreement) as of the date of termination which was not paid yet, any other amount and/or entitlement owed to her pursuant to applicable law upon such termination, and, if applicable, the non-compete payments as described in Ms. Korfin's employment agreement. Specifically, if Ms. Korfin's employment is terminated by the Company at any time without cause, or if she resigns on account of good reason (each, as defined in Ms. Korfin's employment agreement), then subject to certain conditions, Ms. Korfin will be entitled to receive a non-compete payment of (i) a lump sum equal to 6 months of her base salary, less applicable deductions and withholdings, and (ii) a lump sum equal to the cash value of 6 months of Ms. Korfin's applicable COBRA premiums, less applicable deductions and withholdings; provided, however, Ms. Korfin will be eligible to receive an amount equal to the cash value of up to 7 months of her applicable COBRA premiums, less applicable deductions and withholdings, in the event the Company waives all or part of the one month notice period described above.

In the event of a change in control of the Company, 50% of any unvested options and 50% of any other unvested equity awards of the Company that have been granted to Ms. Korfin' will vest as of immediately prior to such change in control, and if Ms. Korfin's employment is terminated by the Company without cause, or if she resigns on account of good reason (each, as defined in Ms. Korfin's employment agreement), in each case within 12 months following such change in control, then any options and other equity awards of the Company that have been granted to Ms. Korfin prior to the change in control and are outstanding as of the date of termination shall fully vest and become exercisable on such date in accordance with the terms of the applicable plans.

Retention Payment

Pursuant to a retention bonus and special transaction bonus agreement between the Company and Ms. Korfin, Ms. Korfin received a retention bonus of $192,280.00, in advance of such payment being earned. Ms. Korfin earned the retention bonus by remaining continuously employed by the company through January 30, 2024. Any rights to a transaction bonus were voided pursuant to Ms. Korfin's amended employment agreement.

Pursuant to Ms. Korfin's employment agreement, as amended, subject to certain conditions, Ms. Korfin is entitled to receive a lump sum retention bonus of $125,000, less applicable deductions and withholdings, subject to Ms. Korfin being continuously employed through the earlier of (i) 45 days after the closing of change of control (as defined in her employment agreement) or (ii) September 30, 2024. The retention bonus will be paid on the first payroll date following it being earned by Ms. Korfin.

Josh Patterson

We entered into an at-will employment agreement with Mr. Patterson in July 2021, as amended most recently on March 12, 2024. Under the terms of his agreement, Mr. Patterson is eligible to receive a base salary of $450,000 with an annual target incentive opportunity of up to 40% of his annual base salary. In connection with his employment agreement, Mr. Patterson entered into a covenant not to disclose our confidential information during his employment term and an assignment of intellectual property rights. Mr. Patterson is also subject to a non-competition provision for a period of 6 months from his last day of employment in the event of his separation from the Company following a termination of his employment for any reason.

Potential Payments Upon Termination or Acceleration Upon Change in Control

Mr. Patterson's employment may be terminated (a) by us at any time for cause (as defined in Mr. Patterson's employment agreement), or (b) by us or Mr. Patterson for any reason. In the event of Mr. Patterson's termination by us without cause or Mr. Patterson terminates his employment for any reason, we will give Mr. Patterson one month's notice of such termination, and in the event of Mr. Patterson's resignation for any reason, he shall give us one month's notice. The Company shall have the right to determine whether or not Mr. Patterson will attend work during the notice period, but in either case Mr. Patterson shall be entitled to receive his base salary in effect, less applicable deductions and withholdings, during the one month notice period.

If Mr. Patterson's employment is terminated without cause or Mr. Patterson terminates his employment for any reason, then Mr. Patterson will receive a payment equal to the sum of the base salary through the date of termination, reimbursement for approved but unpaid business expenses through the date of termination, fully earned and declared (by the board of directors of Gamida Cell Ltd.) annual target bonus (as defined in Mr. Patterson's employment agreement) as of the date of termination which was not paid yet, any other amount and/or entitlement owed to him pursuant to applicable law upon such termination, and, if applicable, the non-compete payments as described in Mr. Patterson's employment agreement. Specifically, if Mr. Patterson's employment is terminated without cause or Mr. Patterson terminates his employment for good reason (each, as defined in Ms. Patterson's employment agreement), then subject to certain conditions, Mr. Patterson will be entitled to receive a non-compete payment of (i) a lump sum equal to 6 months of his base salary, less applicable deductions and withholdings and less any severance pay-related amounts (if any) then paid, payable or accrued and released to or for his benefit, and (ii) a lump sum equal to the cash value of 6 months of Mr. Patterson's applicable COBRA premiums, less applicable deductions and withholdings; provided, however, Mr. Patterson will be eligible to receive an amount equal to the cash value of up to 7 months of his applicable COBRA premiums, less applicable deductions and withholdings, in the event the Company waives all or part of the one month notice period described above.

In the event of a change in control of the Company, if Mr. Patterson's employment is terminated by the Company without cause, or if he resigns on account of good reason (each, as defined in Mr. Patterson's employment agreement), in each case within 12 months following such change in control, then any options and other equity awards of the Company that have been granted to Mr. Patterson's prior to the change in control and are outstanding as of the date of termination shall fully vest and become exercisable on such date in accordance with the terms of the applicable plans.

Retention Payment

Pursuant to a retention bonus and special transaction bonus agreement between the Company and Mr. Patterson, Mr. Patterson received a retention bonus of $180,000, in advance of such payment being earned. Mr. Patterson earned the retention bonus by remaining continuously employed by the company through January 30, 2024. Any rights to a transaction bonus were voided pursuant to Mr. Patterson's amended employment agreement.

Pursuant to Mr. Patterson's employment agreement, as amended, subject to certain conditions, Mr. Patterson is entitled to receive a lump sum retention bonus of $125,000, less applicable deductions and withholdings, subject to Mr. Patterson being continuously employed through the earlier of (i) 45 days after the closing of change of control (as defined in her employment agreement) or (ii) September 30, 2024. The retention bonus will be paid on the first payroll date following it being earned by Mr. Patterson.

Dr. Ronit Simantov

We entered into an at-will employment agreement with Dr. Ronit Simantov in April 2017, as amended most recently on March 14, 2024. Under the terms of her employment agreement Dr. Simantov is eligible to receive a base salary of $480,700 and an annual target incentive opportunity of up to 40% of her annual base salary. 'In connection with her employment agreement, Dr. Simantov entered into a covenant not to disclose our confidential information during her employment term and an assignment of intellectual property rights. Dr. Simantov is also subject to a non-competition provision for a period of 6 months from her last day of employment in the event of her separation from the Company following a termination of her employment for any reason.

Potential Payments Upon Termination or Acceleration Upon Change in Control

Dr. Simantov's employment may be terminated (a) by us at any time for cause (as defined in Dr. Simantov's employment agreement), or (b) by us or Dr. Simantov for any reason. In the event of Dr. Simantov's termination by us without cause, we will give Dr. Simantov one month's' notice of such termination, and in the event of Dr. Simantov's resignation for any reason, she shall give us one month's' notice. The Company shall have the right to determine whether or not Dr. Simantov will attend work during the notice period, but in either case, Dr. Simantov shall be entitled to receive her base salary in effect, less applicable deductions and withholdings, during the one month notice period described herein.

If Dr. Simantov's employment is terminated without cause or Dr. Simantov terminates her employment for any reason, then Dr. Simantov will receive a payment equal to the sum of the base salary through the date of termination, reimbursement for approved but unpaid business expenses through the date of termination, fully earned and declared (by the board of directors of Gamida Cell Ltd.) annual target bonus (as defined in Dr. Simantov's employment agreement) as of the date of termination which was not paid yet, any other amount and/or entitlement owed to her pursuant to applicable law upon such termination, and, if applicable, the non-compete payments as described in Dr. Simantov's employment agreement. Specifically, if Dr. Simantov's employment is terminated without cause or Dr. Simantov terminates her employment for good reason (each, as defined in Dr. Simantov's employment agreement), then subject to certain conditions, Dr. Simantov will be entitled to receive a non-compete payment of (i) a lump sum equal to 6 months of her base salary, less applicable deductions and withholdings and less any severance pay-related amounts (if any) then paid, payable or accrued and released to or for her benefit, and (ii) a lump sum equal to the cash value of 6 months of Dr. Simantov's applicable COBRA premiums, less applicable deductions and withholdings; provided, however, Dr. Simantov will be eligible to receive an amount equal to the cash value of up to 7 months of her applicable COBRA premiums, less applicable deductions and withholdings, in the event the Company waives all or part of the one month notice period described above.

In the event of a change in control of the Company, if Dr. Simantov's employment is terminated by the Company without cause, or if she resigns on account of good reason (each, as defined in Dr. Simantov's employment agreement), in each case within 12 months following such change in control, then any options and other equity awards of the Company that have been granted to Dr. Simantov's prior to the change in control and are outstanding as of the date of termination shall fully vest and become exercisable on such date in accordance with the terms of the applicable plans.

Retention Payment

Pursuant to a retention bonus and special transaction bonus agreement between the Company and Dr. Simantov, Dr. Simantov received a retention bonus of $192,280.00, in advance of such payment being earned. Dr. Simantov earned the retention bonus by remaining continuously employed by the company through January 30, 2024. Any rights to a transaction bonus were voided pursuant to Dr. Simantov's amended employment agreement.

Pursuant to Dr. Simantov's employment agreement, as amended, subject to certain conditions, Dr. Simantov is entitled to receive a lump sum retention bonus of $125,000, less applicable deductions and withholdings, subject to Dr. Simantov being continuously employed through the earlier of (i) 45 days after the closing of change of control (as defined in her employment agreement) or (ii) September 30, 2024. The retention bonus will be paid on the first payroll date following it being earned by Dr. Simantov.

Outstanding Equity Awards at Fiscal Year End 2023

	Option Awards				Stock Awards	
Name	Number of securities underlying unexercised options (#) exercisable	Number of securities underlying unexercised options (#) unexercisable	Option exercise price ($)	Option expiration date	Number of shares or units of stock that have not vested (#)	Market value of shares of units of stock that have not vested ($)
Abigail Jenkins[1]	312,500	687,500	2.22	September 18, 2032	—	—
Abigail Jenkins[2]	71,924	146,030	1.59	February 8, 2033	—	—
Abigail Jenkins[3]	—	—	—	—	167,500	371,850
Abigail Jenkins[4]	—	—	—	—	73,039	116,132
Michele Korfin[5]	406,250	93,750	4.36	August 31, 2030	—	—
Michele Korfin[6]	13,851	6,296	9.51	February 25, 2031	—	—
Michele Korfin[7]	54,687	70,313	2.93	January 28, 2032	—	—
Michele Korfin[2]	61,429	124,721	1.59	February 8, 2033	—	—
Michele Korfin[8]	—	—	—	—	1,120	10,651
Michele Korfin[9]	—	—	—	—	31,257	118,777
Michele Korfin[10]	—	—	—	—	13,936	40,832
Michele Korfin[4]	—	—	—	—	62,304	99,063
Ronit Simantov	186,574	—	4.90	November 16, 2027	—	—
Ronit Simantov	49,400	—	11.01	March 11, 2029	—	—
Ronit Simantov[11]	45,937	3,063	4.70	February 24, 2030	—	—
Ronit Simantov[6]	37,125	16,875	9.51	February 25, 2031	—	—
Ronit Simantov[12]	34,868	44,832	2.93	January 27, 2032	—	—
Ronit Simantov[2]	38,392	77,948	1.59	February 8, 2033	—	—
Ronit Simantov[8]	—	—	—	—	3,000	28,530
Ronit Simantov[9]	—	—	—	—	28,189	107,118
Ronit Simantov[10]	—	—	—	—	8,911	26,109
Ronit Simantov[4]	—	—	—	—	38,927	61,894
Josh Patterson[13]	98,437	76,563	3.80	October 6, 2031	—	—
Josh Patterson[12]	34,081	43,819	2.93	January 27, 2032	—	—
Josh Patterson[2]	41,533	84,327	1.59	February 8, 2033	—	—
Josh Patterson[14]	—	—	—	—	10,000	38,000
Josh Patterson[10]	—	—	—	—	8,710	25,520
Josh Patterson[4]	—	—	—	—	42,210	67,114
Terry Coelho[15]	—	10,000	1.98	June 12, 2033	—	—

(1) One fourth ($1/4^{th}$) of the shares subject to the option award vested on September 19, 2023, and one twelfth ($1/12^{th}$) of the remaining shares subject to the option award vested or shall vest in equal quarterly installments thereafter, subject to the officer's continuous service through such vesting date.

(2) 33% of the shares subject to the option award vested or shall vest on each of August 8, 2023 and August 8, 2024, respectively, and 34% of the shares subject to the option award shall vest on August 8, 2025, subject to the Reporting Person's continuous service through such vesting date.

(3) The restricted stock unit award shall vest in three equal annual installments on September 19, 2023, September 19, 2024, and September 19, 2025, subject to the officer's continuous service through such vesting date.

(4) Represents an RSU award, which vested or shall vest with respect to 33% of the RSUs, on each of August 8, 2023 and August 8, 2024, respectively, and with respect to 34% of the RSUs, on August 8, 2025. The vesting of the RSUs is subject to the individual's continuous service through each such vesting date.

(5) One fourth (1/4th) of the shares subject to the option award vested on August 15, 2021, and one twelfth (1/12th) of the remaining shares subject to the option award vested or shall vest in equal quarterly installments thereafter, subject to the Reporting Person's continuous service through such vesting date.

(6) One fourth ($1/4^{th}$) of the shares subject to the option award vested on February 25, 2022, and one twelfth ($1/12^{th}$) of the remaining shares subject to the option award vested or shall vest in equal quarterly installments thereafter, subject to the officer's continuous service through such vesting date.

(7) One fourth (1/4th) of the shares subject to the option award shall vest on January 28, 2023, and one twelfth (1/12th) of the remaining shares subject to the option award shall vest in equal quarterly installments thereafter, subject to the individual's continuous service through such vesting date.

(8) The restricted shares shall vest in three equal annual installments on February 25, 2022, February 25, 2023, and February 25, 2024, subject to the officer's continuous service through such vesting date.

(9) 20% of the restricted shares shall vested upon the Omisirge BLA acceptance, an additional 30% of the restricted shares shall vested upon BLA approval, and the remaining 50% shall vest on the one-year anniversary of the BLA approval; provided, in each case, that such applicable vesting event actually occurs (which is uncertain and not assured) and subject to the officer's continuous service through such vesting date.

(10) The RSU award shall vest in three equal annual installments on January 28, 2023, January 28, 2024, and January 28, 2025, subject to the individual's continuous service through each such vesting date.

(11) One fourth ($1/4^{th}$) of the shares subject to the option award vested on February 24, 2021, and one twelfth ($1/12^{th}$) of the remaining shares subject to the option award vested or shall vest in equal quarterly installments thereafter, subject to the officer's continuous service through such vesting date.

(12) One fourth ($1/4^{th}$) of the shares subject to the option award vested on January 28, 2023, and one twelfth ($1/12^{th}$) of the remaining shares subject to the option award vested or shall vest in equal quarterly installments thereafter, subject to the officer's continuous service through such vesting date.

(13) One fourth ($1/4^{th}$) of the shares subject to the option award vested on August 30, 2022, and one twelfth ($1/12^{th}$) of the remaining shares subject to the option award vested or shall vest in equal quarterly installments thereafter, subject to the officer's continuous service through such vesting date.

(14) The restricted shares shall vest in three equal annual installments on August 30, 2022, August 30, 2023, and August 30, 2024, subject to the officer's continuous service through such vesting date.

(15) This option vests on the earlier of (i) the date of the closing of a Merger/Sale (as such term is defined under the Issuer's 2017 Share Incentive Plan (as amended)), or (ii) May 22, 2024, so long as, prior to such date, (x) the individual has not terminated without cause the individual's Consulting Agreement (the "Agreement") with the Issuer or (y) we have not terminated the Agreement for breach (and such breach has not been cured).

Securities authorized for issuance under equity compensation plans.

The following table summarizes our equity compensation plan information as of December 31, 2023. Information is included for equity compensation plans approved by our shareholders. We do not have any equity compensation plans not approved by our shareholders.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by shareholders	8,246,065	3.83	2,455,978
Equity compensation plans not approved by shareholders	—	—	—
Total	8,246,065	3.83	2,455,978

Additional Narrative Disclosure

Employee Share and Option Plan (1998)

In 1998, our board of directors adopted our Employee Share and Option Plan (1998), or the 1998 Plan. There are currently no options outstanding or options available for issuance under the 1998 Plan. There are currently 180,329 ordinary shares, which resulted from the exercise of certain options granted under the 1998 Plan, held in trust in favor of the employees who exercised such options. The 1998 Plan remains in effect in order to allow our employees to enjoy certain tax benefits under Israeli tax law.

Stock Option Plan (1999)

In 1999, our board of directors adopted our Stock Option Plan (1999), or the 1999 Plan. There are currently no options outstanding or options available for issuance under the 1999 Plan. There are currently 5,000 ordinary shares, which resulted from the exercise of certain options granted under the 1999 Plan, held in trust in favor of the employees who exercised such options. The 1999 Plan remains in effect in order to allow our employees to enjoy certain tax benefits under Israeli tax law.

2003 Israeli Share Option Plan

In July 2003, our board of directors adopted our 2003 Israeli Share Option Plan, or the 2003 Plan. There are currently no options outstanding or options available for issuance under the 2003 Plan. There are currently 54,569 ordinary shares, which resulted from the exercise of certain options granted under the 2003 Plan, held in trust in favor of the employees who exercised such options. The 2003 Plan remains in effect in order to allow our employees to enjoy certain tax benefits under Israeli tax law.

2014 Israeli Share Incentive Plan

In November 2014 and December 2014, respectively, the Board adopted and the Company's shareholders approved the 2014 Israeli Share Incentive Plan, or the 2014 Plan. The 2014 Plan replaced the Company's 2003 Plan. The Company is no longer granting options under the 2014 Plan because it was superseded by the 2017 Share Incentive Plan, or the 2017 Plan. As of December 31, 2023, no options were outstanding under the 2014 Plan.

2017 Share Incentive Plan

In January 2017 and February 2017, respectively, our board of directors adopted and our shareholders approved our 2017 Plan. The 2017 Plan replaced our 2014 Plan. We are no longer granting options under the 2014 Plan because it was superseded by the 2017 Plan, although previously granted awards remain outstanding. As of December 31, 2023, we had options to purchase 7,109,262 ordinary shares outstanding under the 2017 Plan with a weighted-average exercise price of $3.83. On February 25, 2021 and November 17, 2021, our board of directors and shareholders, respectively, approved an amendment and restatement of the 2017 Plan.

As of December 31, 2023, our amended and restated 2017 Plan had up to 2,455,978 ordinary shares available for issuance. The amended and restated 2017 Plan also contains an "evergreen" provision, which provides for an automatic allotment of ordinary shares to be added every year to the pool of ordinary shares available for grant under the 2017 Plan. Under the evergreen provision, on January 1 of each year (beginning January 1, 2022), the number of ordinary shares available under the 2017 Plan automatically increases by the lesser of the following: (i) 4% of our outstanding ordinary shares on the last day of the immediately preceding year; and (ii) an amount determined in advance of January 1 by the board.

The 2017 Plan provides for the grant of awards, including options, restricted shares and RSUs, to our and our affiliates' directors, employees, officers, consultants, advisors, and any other person whose services are considered valuable to us or our affiliates, to increase their efforts on our and our affiliates' behalf, and to promote the success of our business by providing them with opportunities to acquire a proprietary interest in us.

The 2017 Plan is administered by a committee designated by the board of directors, which determines, subject to Israeli law, the grantees of awards and the terms of the grant, including, exercise prices, vesting schedules, acceleration of vesting and conditions and restrictions applicable to an award, as well other matters necessary in the administration of the 2017 Plan. In the event that the Board does not appoint or establish a committee, the 2017 Plan shall be administered by the Board. The 2017 Plan enables us to issue awards under various tax regimes, including, without limitation, pursuant to Section 102 of the Ordinance as discussed under "2014 Israeli Share Option Plan" above, and under Section 3(i) of the Ordinance and Section 422 of the United States Internal Revenue Code of 1986, as amended, or the Code.

The 2017 Plan provides that awards granted to our employees, directors and officers who are not controlling shareholders and who are considered Israeli residents are intended to qualify for special tax treatment under the "capital gain track" provisions of Section 102(b) of the Ordinance as detailed above. Our Israeli non-employee service providers and controlling shareholders may only be granted awards under Section 3(i) of the Ordinance, which does not provide for similar tax benefits.

Awards granted under the 2017 Plan to U.S. residents may qualify as "incentive stock options" within the meaning of Section 422 of the Code, or may be non-qualified. The exercise price for "incentive stock options" must not be less than the fair market value on the date on which an option is granted, or 110% of the fair market value if the option holder holds more than 10% of our share capital.

The vesting schedule of options granted under the 2017 Plan is set forth in each grantee's grant letter.

Awards terminate upon the date set out in the grantee's specific award agreement or at the end of an extended period following the termination of the grantee's employment or service. In the event of the death of a grantee while employed by or performing service for us or an affiliate, or within the three (3) month period after the termination, or in the event of termination of a grantee's employment or services for reasons of disability, the grantee (or his or her estate or legal successor (in the case of death) or the person who acquired legal rights to exercise such awards (in the case of death or disability)), may exercise awards that have vested prior to termination within a period of one (1) year from the date of disability or death but in any event no later than the expiration date of the awards. If a grantee's employment or service is terminated by reason of retirement in accordance with applicable law, the grantee may exercise his or her vested awards within the three (3) month period after the date of such retirement. If we terminate a grantee's employment or service for cause, all of the grantee's vested and unvested awards will expire on the date of termination. If a grantee's employment or service is terminated for any other reason, all unvested awards shall expire and the grantee may exercise his or her vested awards within three (3) months after the date of termination. Any expired or unvested awards return to the pool and become available for reissuance.

Options may not be assigned or transferred other than by will or laws of descent, unless otherwise determined by the committee.

In the event of a merger or consolidation of our Company, or a sale of all, or substantially all, of our shares or assets or other transaction having a similar effect on us, or liquidation or dissolution, or such other transaction or circumstances that the board of directors determines to be a relevant transaction, then without the consent of the grantee, our board of directors or its designated committee, as applicable, may but is not required to (i) cause any outstanding award to be assumed or substituted by such successor corporation, or (ii) regardless of whether or not the successor corporation assumes or substitutes the award (a) provide the grantee with the option to exercise the award as to all or part of the shares, and may provide for an acceleration of vesting of unvested awards, or (b) cancel the award and pay in cash, shares of us, the acquirer or other corporation which is a party to such transaction or other property as determined by the board of directors or the committee as fair in the circumstances. Notwithstanding the foregoing, our board of directors or its designated committee may upon such event amend, modify or terminate the terms of any award as the board of directors or the committee shall deem, in good faith, appropriate.

As of December 31, 2023, outstanding awards under our Equity Incentive Plans totaled 8,246,065 ordinary shares and 2,455,978 ordinary shares remained available for grant. Of the 1,136,803 outstanding restricted share awards, 933,895 shares were vested as of December 31, 2023. Of the 7,109,262 outstanding options, options to purchase 4,280,279 ordinary shares were vested as of December 31, 2023, with a weighted average exercise price of $4.62 per share, and will expire between March 2, 2027 and November 14, 2033.

Non-Employee Director Compensation

Director Compensation Table

The following table shows for the fiscal year ended December 31, 2023 certain information with respect to the compensation of our non-employee directors:

Name	Fees Earned or Paid in Cash ($)	Share Awards ($)	Option Awards ($)	Total ($)
Robert I. Blum[(1)]	14,221	0	1,699	15,920
Julian Adams[(2)]	58,000	189,510	617,833	865,343
Anat Cohen-Dayag[(3)]	12,098	932	2,668	15,699
Naama Halevi Davidov[(4)]	10,393	901	2,720	14,014
Kenneth I. Moch[(5)]	77,000	43,440	59,329	179,769
Shawn C. Tomasello[(6)]	94,090	43,440	71,639	209,169
Stephen T. Wills[(7)]	65,000	63,667	84,429	213,096
Ivan Borrello[(8)]	56,000	44,187	61,674	161,861
Jeremy Blank[(9)]	10,330	0	3,705	14,035

(1) Mr. Blum resigned from the board of directors on March 17, 2023. He was awarded (i) 56,600 restricted shares and (ii) options to purchase 28,300 ordinary shares. In addition, in recognition of his extraordinary contributions to our company, Mr. Blum received a (i) grant of options to purchase 28,300 ordinary shares and (ii) 14,200 restricted shares. Such awards returned to the plan as they did not vest prior to his departure from our company. In aggregate, Mr. Blum had 0 restricted shares and 0 options to purchase ordinary shares outstanding as of December 31, 2023.

(2) Dr. Adams served as our chief executive officer until his retirement on September 19, 2022. He was awarded (i) 56,600 restricted shares and (ii) options to purchase 28,300 ordinary shares for his service on the board. This option vests in equal quarterly installments over a twelve-month period with the first such installment vesting on May 8, 2023, subject to his continued service as of the applicable vesting date. The ordinary shares underlying the RSU award vest on February 8, 2024, subject to his continued service as of the applicable vesting date. In aggregate, Mr. Adams had 73,179 restricted shares and 1,475,774 options to purchase ordinary shares outstanding as of December 31, 2023.

(3) Dr. Cohen-Dayag was appointed to the board of directors on January 28, 2022 and resigned from our board of directors on March 15, 2023. In February 2023, Dr. Cohen-Dayag was awarded (i) 56,600 restricted shares and (ii) options to purchase 28,300 ordinary shares, which awards returned to the plan as they did not vest prior to her departure from our company. In aggregate, Dr. Cohen-Dayag held 0 restricted shares and 0 options to purchase ordinary shares outstanding as of December 31, 2023.

(4) Dr. Halevi Davidov was appointed to the board of directors on January 27, 2022 and resigned from the board of directors on March 16, 2023. In February 2023, Dr. Halevi Davidov was awarded (i) 56,600 restricted shares and (ii) options to purchase 28,300 ordinary shares, which awards returned to the plan as they did not vest prior to her departure from our company. . In aggregate, Dr. Halevi Davidov had 0 restricted shares and 0 options to purchase ordinary shares outstanding as of December 31, 2023.

(5) Mr. Moch was awarded (i) 56,600 restricted shares and (ii) options to purchase 28,300 ordinary shares. This option vests in equal quarterly installments over a twelve-month period with the first such installment vesting on May 8, 2023, subject to his continued service as of the applicable vesting date. The ordinary shares underlying the RSU award vest on February 8, 2024, subject to his continued service as of the applicable vesting date. In aggregate, Mr. Moch had 30,300 restricted shares and 122,600 options to purchase ordinary shares outstanding as of December 31, 2023.

(6) Ms. Tomasello was awarded (i) 56,600 restricted shares and (ii) options to purchase 28,300 ordinary shares. In addition, in recognition of his extraordinary contributions to the Company, Ms. Tomasello received a (i) grant of options to purchase 17,000 ordinary shares. These options vests in equal quarterly installments over a twelve-month period with the first such installment vesting on May 8, 2023, subject to her continued service as of the applicable vesting date. The ordinary shares underlying the RSU award vest on February 8, 2024, subject to her continued service as of the applicable vesting date. In aggregate, Ms. Tomasello had 44,500 restricted shares and 133,900 options to purchase ordinary shares outstanding as of December 31, 2023.

(7) Mr. Wills was awarded (i) 56,600 restricted shares and (ii) options to purchase 28,300 ordinary shares. In addition, in recognition of his extraordinary contributions to the Company, Mr. Wills received a (i) grant of options to purchase 28,300 ordinary shares and (ii) 14,200 restricted shares. These options vests in equal quarterly installments over a twelve-month period with the first such installment vesting on May 8, 2023, subject to his continued service as of the applicable vesting date. The ordinary shares underlying the RSU award vest on February 8, 2024, subject to his continued service as of the applicable vesting date. In aggregate, Mr. Wills had 44,500 restricted shares and 133,900 options to purchase ordinary shares outstanding as of December 31, 2023.

(8) Dr. Borrello was appointed to the board of directors on June 9, 2022. Dr. Borrello was awarded (i) 56,600 restricted shares and (ii) options to purchase 28,300 ordinary shares. This option vests in equal quarterly installments over a twelve-month period with the first such installment vesting on May 8, 2023, subject to his continued service as of the applicable vesting date. The ordinary shares underlying the RSU award vest on February 8, 2024, subject to his continued service as of the applicable vesting date. In aggregate, Dr. Borrello had 32,300 restricted shares and 75,600 options to purchase ordinary shares outstanding as of December 31, 2023.

(9) Mr. Blank was appointed to the board of directors on August 14, 2023 and resigned from the board of directors on November 15, 2023. Mr. Blank was awarded options to purchase 19,000 ordinary shares. This option vests in equal quarterly installments over a twelve-month period with the first such installment vesting on November 11, 2023, subject to his continued service as of the applicable vesting date. In aggregate, Mr. Blum had 0 restricted shares and 4,750 options to purchase ordinary shares outstanding as of December 31, 2023.

Narrative Disclosure to Director Compensation Table

For the fiscal year ended December 31, 2023, each of our non-executive directors was entitled to the following payments, paid in arrears, in quarterly installments: (i) an annual fee of $40,000 plus VAT, if applicable; (ii) for audit committee or compensation committee, or compliance committee membership, an additional annual fee of $10,000 plus VAT, if applicable; (iii) for nominating and corporate governance committee members, an additional annual fee of $8,000 plus VAT, if applicable; (iv) for chairmanship of the board of directors an additional annual fee of $20,000 plus VAT, if applicable; (v) for each chairmanship of the audit committee, the compensation committee, and the compliance committee, an additional annual fee of $5,000 plus VAT, if applicable; and (vi) for chairmanship of the nominating and corporate governance committee, an additional annual fee of $4,000 plus VAT, if applicable. In addition, each of our non-executive directors, other than the current chairman of the board of directors, was entitled to receive an initial grant (upon his or her first appointment to election to the board of directors) of 4,000 of our restricted ordinary shares and options to purchase 19,000 of our ordinary shares. As approved by our shareholders on October 19, 2023, for the fiscal year ended December 31, 2023, each of our non-executive directors, including the chairman, was entitled to receive an annual grant consisting of a combination of RSUs and options to purchase our ordinary shares, based on an allocation determined at the discretion of the Board and compensation committee and with an aggregate fair market value of $90,000, calculated as of the date of grant. Accordingly, on February 8, 2023, each non-executive Board member (including the chairman) was granted options to purchase 56,600 ordinary shares (with an exercise price of $1.59 per ordinary share) and 28,300 RSUs.

In addition, in the fiscal year ended December 31, 2023, and as approved by our shareholders on October 19, 2023, certain of our non-executive directors were entitled to receive special-one time equity grants. Ms. Shawn Tomasello, in recognition of her appointment as Chairwoman of the Board, received a grant of options to purchase 17,000 ordinary shares on March 20, 2023. Mr. Robert Blum, in recognition of his extraordinary contributions to the Company, received a grant of options to purchase 28,300 ordinary shares and 14,200 RSUs on February 8, 2023. Mr. Blum departed the Company on March 17, 2023, prior to the vesting of any of the equity subject to this grant. Mr. Stephen Wills, in recognition of his extraordinary contribution to the Company, received a grant of options to purchase 28,300 ordinary shares and 14,200 RSUs on February 8, 2023.

Compensation and talent committee

Compensation Committee Interlocks and Insider Participation

Under the Companies Law, the board of directors of any public company must appoint a compensation committee. Our compensation and talent committee, which consists of Stephen T. Wills, Kenneth I. Moch and Shawn C. Tomasello, assists our board of directors in determining compensation for our directors and officers. Mr. Moch serves as Chairman of the committee. Our board of directors has determined that each member of our compensation and talent committee is independent under the Nasdaq Rules, including the additional independence requirements applicable to the members of a compensation committee. None of the members of the compensation and talent committee are currently, or have been at any time, one of our executive officers or employees.

In accordance with the Companies Law, the roles of the compensation and talent committee are, among others, as follows:

making recommendations to the board of directors with respect to the approval of the compensation policy for office holders and, once every three years, regarding any extensions to a compensation policy that was adopted for a period of more than three years;

reviewing the implementation of the compensation policy and periodically making recommendations to the board of directors with respect to any amendments or updates to the compensation policy; resolving whether or not to approve arrangements with respect to the terms of office and employment of office holders; and

exempting, under certain circumstances, a transaction with our chief executive officer from the approval of the general meeting of our shareholders.

Our board of directors has adopted a compensation committee charter setting forth the responsibilities of the committee consistent with the Nasdaq Listing Rules, which include among others:

recommending a compensation policy to our board of Directors for its approval, in accordance with the requirements of the Companies Law, as well as making recommendations to the board of directors with respect to other compensation policies, incentive-based compensation plans and share-based compensation plans, overseeing the development and implementation of such policies and recommending to our board of directors any amendments or modifications that the committee deems appropriate, including as required under the Companies Law;

reviewing and approving the granting of options and other incentive awards to the chief executive officer and other executive officers, including reviewing and approving corporate goals and objectives relevant to the compensation of our chief executive officer and other executive officers, and evaluating their performance in light of such goals and objectives;

approving and exempting certain transactions regarding office holders' compensation pursuant to the Companies Law; and

administering our share-based compensation plans, including without limitation, approving the adoption of such plans, amending and interpreting such plans and the awards and agreements issued pursuant thereto, and making awards to eligible persons under the plans and determining the terms of such awards.

Compensation Committee Report

Gamida Cell's compensation and talent committee has reviewed and discussed the compensation discussion and analysis with our management and, based on the review and discussions recommended the board of directors that the compensation discussion and analysis be included in this annual report

The compensation and talent committee consists of Stephen T. Wills, Kenneth I. Moch and Shawn C. Tomasello.

In general, under the Companies Law, a public company must have a compensation policy approved by the board of directors after receiving and considering the recommendations of the compensation committee. In addition, our compensation policy must be approved at least once every three years, first, by our board of directors, upon recommendation of our compensation and talent committee, and second, by a simple majority of the ordinary shares present, in person or by proxy, and voting at a shareholders meeting, provided that either:

such majority includes at least a majority of the shares held by shareholders who are not controlling shareholders and shareholders who do not have a personal interest in such compensation arrangement and who are present and voting (excluding abstentions); or

the total number of shares of non-controlling shareholders and shareholders who do not have a personal interest in the compensation arrangement and who vote against the arrangement, does not exceed 2% of our aggregate voting rights.

We refer to this as the Special Approval for Compensation. Under the Companies Law, subject to certain conditions, the board of directors may ratify the compensation policy even if it is not ratified by the shareholders.

Pursuant to the Companies Law, under special circumstances, the board of directors may approve the compensation policy despite the objection of the shareholders on the condition that the compensation committee and then the board of directors decide, on the basis of detailed grounds and after discussing again the compensation policy, that approval of the compensation policy, despite the objection of the shareholders, is for our benefit.

If a company that initially offers its securities to the public adopts a compensation policy in advance of its initial public offering and describes it in its prospectus for such offering, as in the case of our Company, then such compensation policy shall be deemed a validly adopted policy in accordance with the Companies Law requirements described above. Furthermore, if the compensation policy is established in accordance with the aforementioned relief, then it will remain in effect for term of five years from the date such company becomes a public company. Our prior compensation policy was adopted pursuant to the foregoing relief and was set to expire on October 25, 2023. On October 19, 2023, our shareholders approved in accordance with the Companies Law our amended and restated compensation policy, which will remain in effect for three years, unless amended or restated prior in accordance with the Companies Law.

The compensation policy must serve as the basis for decisions concerning the financial terms of employment or engagement of office holders, including exculpation, insurance, indemnification or any monetary payment or obligation of payment in respect of employment or engagement. The compensation policy must be determined and later reevaluated according to certain factors, including: the advancement of the company's objectives, business plan and long-term strategy; the creation of appropriate incentives for office holders, while considering, among other things, the company's size, the nature of its operations and risk management policy; and, with respect to variable compensation, the contribution of the office holder towards the achievement of the company's long-term goals and the maximization of its profits, all with a long-term objective and according to the position of the office holder. The compensation policy must furthermore consider the following additional factors:

the education, skills, experience, expertise and accomplishments of the relevant office holder;

the office holder's position, responsibilities and prior compensation agreements with him or her;

the ratio between the cost of the terms of employment of an office holder and the cost of the employment of other employees of the company, including employees employed through contractors who provide services to the company, in particular the ratio between such cost to the average and median salary of such employees of the company, as well as the impact of disparities between them on the work relationships in the company;

if the terms of employment include variable components — the possibility of reducing variable components at the discretion of the board of directors and the possibility of setting a limit on the value of non-cash variable share-based components; and

if the terms of employment include severance compensation — the term of employment or office of the office holder, the terms of his or her compensation during such period, the company's performance during such period, his or her individual contribution to the achievement of the company goals and the maximization of its profits and the circumstances under which he or she is leaving the company.

The compensation policy must also include, inter alia, with regards to variable components:

with the exception of office holders who report directly to the chief executive officer, determining the variable components on long-term performance basis and on measurable criteria; however, the company may determine that an immaterial part of the variable components of an office holder's compensation package shall be awarded based on non-measurable criteria, if such amount is not higher than three months' salary per annum, while taking into account such office holder's contribution to the company;

the ratio between variable and fixed components, as well as the limit of the values of variable components at the time of their payment, or in the case of share-based compensation, at the time of grant;

a condition under which the office holder will return to the company, according to conditions to be set forth in the compensation policy, any amounts paid as part of his or her terms of employment, if such amounts were paid based on information later to be discovered to be wrong, and such information was restated in the company's financial statements;

the minimum holding or vesting period of variable share-based components to be set in the terms of office or employment, as applicable, while taking into consideration long-term incentives; and

a limit to retirement grants.

Our amended and restated compensation policy is designed to promote retention and motivation of directors and executive officers, incentivize individual excellence, align the interests of our directors and executive officers with our long-term performance and provide a risk management tool. To that end, a portion of an executive officer compensation package is targeted to reflect our short and long-term goals, as well as the executive officer's individual performance. On the other hand, our amended and restated compensation policy includes measures designed to reduce the executive officer's incentives to take excessive risks that may harm us in the long-term, such as limits on the value of cash bonuses and share-based compensation, limitations on the ratio between the variable and the total compensation of an executive officer and minimum vesting periods for share-based compensation.

Our amended and restated compensation policy also addresses our executive officers' individual characteristics (such as their respective positions, education, scope of responsibilities and contribution to the attainment of our goals) as the basis for compensation variation among our executive officers, and considers the internal ratios between compensation of our executive officers and directors and other employees. Pursuant to our amended and restated compensation policy, the compensation that may be granted to an executive officer may include: base salary, annual bonuses and other cash bonuses (such as a signing bonus and special bonuses with respect to any special achievements, such as outstanding personal achievement, outstanding personal effort or outstanding company performance), share-based compensation, benefits, retirement and termination of service arrangements. All cash bonuses are limited to an annual maximum amount linked to the executive officer's base salary. In addition, the total variable compensation components (cash bonuses and shared-based compensation) may not exceed 90% of each executive officer's total compensation package with respect to any given calendar year.

An annual cash bonus may be awarded to executive officers upon the attainment of pre-set periodic objectives and individual targets. The annual cash bonus that may be granted to our executive officers other than our chief executive officer will be based on performance objectives and a discretionary evaluation of the executive officer's overall performance by our chief executive officer and subject to minimum thresholds. The annual cash bonus that may be granted to executive officers other than our chief executive officer may be based entirely on a discretionary evaluation. Furthermore, our chief executive officer will be entitled to recommend performance objectives, and such performance objectives will be approved by our compensation committee (and, if required by law, by our board of directors).

The measurable performance objectives of our chief executive officer will be determined annually by our compensation committee and board of directors, will include the weight to be assigned to each achievement in the overall evaluation. A non-material portion of the chief executive officer's annual cash bonus may be based on a discretionary evaluation of the chief executive officer's overall performance by the compensation committee and the board of directors based on quantitative and qualitative criteria.

The share-based compensation under our amended and restated compensation policy for our executive officers is designed in a manner consistent with the underlying objectives in determining the base salary and the annual cash bonus, with its main objectives being to enhance the alignment between the executive officers' interests with our long-term interests and those of our shareholders and to strengthen the retention and the motivation of executive officers in the long term. Our amended and restated compensation policy provides for executive officer compensation in the form of share options or other share-based awards, such as restricted shares and restricted share units, in accordance with our share incentive plan then in place. All share-based incentives granted to executive officers shall be subject to vesting periods in order to promote long-term retention of the awarded executive officers and are limited to an annual maximum total fair market value linked to the executive officer's base salary. The share-based compensation shall be granted from time to time and shall be individually determined and awarded according to the performance, educational background, prior business experience, qualifications, role and personal responsibilities of each executive officer.

In addition, our amended and restated compensation policy contains compensation recovery provisions which allow us under certain conditions to recover bonuses paid in excess, enables our chief executive officer to approve an immaterial change in the terms of employment of an executive officer who reports directly to the chief executive officer (provided that the changes of the terms of employment are in accordance with our amended and restated compensation policy) and allows us to exculpate, indemnify and insure our executive officers and directors to the maximum extent permitted by Israeli law, subject to certain limitations set forth therein.

Our amended and restated compensation policy also provides for compensation to the members of our board of directors in accordance with the maximum amounts determined in our amended and restated compensation policy. Pursuant to our amended and restated compensation policy, the compensation that may be granted to a non-employee member of the board of directors includes an annual and per-meeting compensation fee or alternatively, an annual cash fee retainer with respect to their services on the Board and additional annual cash fee retainers for serving on board committees and as chairperson of the Board or its committees, without regard to their participation in meetings of the Board or its committees. Our non-employee directors are also entitled to receive "welcome" or an annual equity-based compensation with a total fair market value of up to $100,000 at the time of grant.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS

The following table sets forth certain information regarding the ownership of our ordinary shares as of March 15, 2024 by: (i) each director and nominee for director; (ii) each named executive officer; (iii) all of our executive officers and directors as a group; and (iv) all those known by us to be beneficial owners of more than five percent of our ordinary shares. Beneficial ownership, for purposes of this table, includes options and warrants to purchase ordinary shares that are either currently exercisable or will be exercisable within 60 days of March 15, 2024.

Unless otherwise noted below, the address of each shareholder, director and executive officer is c/o Gamida Cell Ltd., 116 Huntington Avenue, 7th Floor, Boston, Massachusetts 02116.

	As of March 15, 2024[1]	
	Ordinary Shares	%
Holders of more than 5% of our voting securities:		
FMR LLC and affiliated entities[2]	9,408,902	6.1%
Levin Capital Strategies, L.P. and affiliated entities[3]	9,128,376	5.9%
Directors and executive officers who are not 5% holders:		
Abigail Jenkins	581,527	*
Terry Coelho	-	*
Michele Korfin	706,380	*
Josh Patterson	282,096	*
Ronit Simantov	512,636	*
Julian Adams	1,378,127	*
Ivan Borrello	107,900	*
Kenneth I. Moch	155,900	*
Shawn C. Tomasello	164,577	*
Stephen Wills	190,077	*
All directors and executive officers as a group (10 persons)[4]	4,079,220	2.6%

* Indicates beneficial ownership of less than 1% of the total ordinary shares outstanding.

(1) The percentages shown are based on 154,048,247 ordinary shares issued and outstanding as of March 15, 2024.

(2) This information is based solely on the information reported on the Schedule 13G/A filed on February 8, 2024 by FMR LLC. The principal address of Fidelity Management & Research is 245 Summer Street, Boston, Massachusetts 02210.

(3) The information shown is based on a Schedule 13G filed on February 8, 2024 jointly Levin Capital Strategies, L.P. ("**LCS**"), Levin Capital Strategies GP, LLC ("**LCSGP**"), LCS, LLC ("**LCSL**"), and John A. Levin, the Chief Executive Officer and controlling person of LCS, LCSGP, and LCSL. The ordinary shares are held by LCS's investment advisory accounts: (i) Bi-Directional Disequilibrium Fund, L.P, a private fund for which LCS acts as investment advisor, has the right to receive dividends from, and the proceeds from the sale of 547,200 ordinary shares; and (ii) various separately managed accounts for whom LCS acts as investment manager have the right to receive dividends from, and the proceeds from the sale of, 8,581,176 ordinary shares.

(4) Consists of options to purchase 3,375,065 ordinary shares, which are currently exercisable or will become exercisable within 60 days of March 15, 2024.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Our policy is to enter into transactions with related parties on terms that, on the whole, are no more favorable, or no less favorable than those available from unaffiliated third parties. Based on our experience in the business sectors in which we operate and the terms of our transactions with unaffiliated third parties, we believe that all of the transactions described below met this policy standard at the time they occurred. The following is a description of material transactions, or series of related material transactions since January 1, 2022, to which we were or will be a party and in which the other parties included or will include our directors, executive officers, holders of more than 10% of our voting securities or any member of the immediate family of any of the foregoing persons.

Under the Companies Law, the approval of the audit committee is required to effect specified actions and transactions with office holders and controlling shareholders and their relatives, or in which they have a personal interest. The term "**controlling shareholder**" means any shareholder with the ability to direct the activities of the company, other than by virtue of being an office holder. A shareholder is presumed to be a controlling shareholder if the shareholder holds 50% or more of the voting rights in a company or has the right to appoint 50% or more of the directors of the company or its chief executive officer. For the purpose of approving transactions with controlling shareholders, the term "**controlling shareholder**" also includes any shareholder that holds 25% or more of the voting rights of the company if no other shareholder holds more than 50% of the voting rights in the company. For purposes of determining the holding percentage stated above, two or more shareholders who have a personal interest in a transaction that is brought for the company's approval are deemed as joint holders. As of the date of this Annual Report, the Company does not have a controlling shareholder as defined under the Companies Law.

Agreements and Arrangements with Directors and Executive Officers

Each of our non-executive directors is entitled to the following payments, which are paid in arrears, in quarterly installments: (i) an annual fee of $40,000 plus VAT, if applicable, (ii) for audit committee or compensation committee membership, an additional annual fee of $10,000 plus VAT, if applicable, (iii) for nominating and corporate governance committee members, an additional annual fee of $8,000 plus VAT, if applicable, (iv) for chairmanship of the board of directors an additional annual fee of $20,000 plus VAT, if applicable, (v) for each chairmanship of the audit committee and the compensation committee, an additional annual fee of $5,000 plus VAT, if applicable and (vi) for chairmanship of the nominating and corporate governance committee, an additional annual fee of $4,000 plus VAT, if applicable. In addition, each of the our non-executive directors, other than the current chairman of the board of directors, shall be entitled to receive an initial grant (upon his or her first appointment to election to the Board) of 4,000 restricted ordinary shares of the Company and options to purchase 19,000 ordinary shares of the Company, and an annual grant of 2,000 of our restricted ordinary shares and options to purchase 9,500 of our ordinary shares, and the current chairman of the board of directors shall be entitled to receive an annual grant of 2,000 of our restricted ordinary shares and options to purchase 12,500 of our ordinary shares. Executive Officers Employment Agreements.

We have entered into written employment agreements with each of our executive officers. These agreements provide for notice periods of varying duration for termination of the agreement by us or by the relevant executive officer, during which time the executive officer will continue to receive base salary and benefits (except for the accrual of vacation days). These agreements also contain customary provisions regarding non-competition, confidentiality of information and assignment of inventions. However, the enforceability of the non-competition provisions may be limited under applicable law.

Options and Restricted Share Awards

Since our inception, we have granted options to purchase our ordinary shares and/or restricted share awards to our officers and certain of our directors. Such agreements may contain acceleration provisions upon certain merger, acquisition, or change of control transactions. We describe our equity incentive plans under "Item 11.-Executive Compensation-Additional Narrative Disclosure." If the relationship between us and an executive officer or a director is terminated, except for cause (as defined in the equity incentive plans), all options that are vested will generally remain exercisable for ninety days after such termination.

Indemnification Agreements

Our amended and restated articles of association permit us to exculpate, indemnify and insure each of our directors and office holders to the fullest extent permitted by Israeli law. In connection with the loss of our status as a foreign private issuer effective on January 1, 2022, we entered into amended and restated indemnification agreements with each of our directors and executive officers, exculpating them, to the fullest extent permitted by law, from liability to us for damages caused to us as a result of a breach of duty of care, and undertaking to indemnify them to the fullest extent permitted by Israeli law. We have also obtained directors and officers insurance for each of our executive officers and directors. The indemnification obligations under the agreements are limited to certain maximum amounts. For further information see "Exculpation, Insurance and Indemnification of Office Holders" in Item 10 above.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

We paid the following fees for professional services rendered by Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, located at Tel-Aviv, Israel, Auditor firm ID: 1281, an independent registered public accounting firm for the years ended December 31, 2023 and 2022:

	2023	2022
	US$ (in thousands)	US$ (in thousands)
Audit Fees[1]	433	370
Audit-Related Fees[2]	-	-
Tax Fees[3]	42	-
All Other Fees[4]	-	-
Total	475	370

(1) Audit fees are the aggregate fees billed for the audit of our annual financial statements, quarterly review, statutory audits, issuance of consents and assistance with and review of documents filed with the SEC.

(2) Audit-related fees would be assurance and related services by our independent registered public accounting firm that are reasonably related to the performance of the audit or review of our consolidated financial statements and are not reported under item (1).

(3) Tax fees relate to tax compliance, planning and advice.

(4) All other fees would be fees billed for services provided by our independent registered public accounting firm, with respect to government incentives and other matters.

Audit Committee Pre-Approval Policies and Procedures

Our audit committee provides assistance to our board of directors in fulfilling its legal and fiduciary obligations in matters involving our accounting, auditing, financial reporting, internal control and legal compliance functions by pre-approving the services performed by our independent accountants and reviewing their reports regarding our accounting practices and systems of internal control over financial reporting. Our audit committee also oversees the audit efforts of our independent accountants and takes those actions that it deems necessary to satisfy itself that the accountants are independent of management. Our audit committee has authorized all auditing and non-auditing services provided by Kost Forer Gabbay & Kasierer during 2023 and 2022 and the fees paid for such services.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) The documents filed as part of this report are as follows:

(1) The financial statements and accompanying report of independent registered public accounting firm are set forth immediately following the signature page of this report on pages F-1 through F-35.

(2) All financial statement schedules are omitted because they are inapplicable, not required or the information is included elsewhere in the financial statements or the notes thereto.

(3) The following is a list of exhibits filed as part of this Annual Report on Form 10-K.

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed/ Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Amended and Restated Articles of Association of the Registrant, as currently in effect	10-Q	001-38716	3.1	11/14/2023	
3.2	Memorandum of Association of the Registrant (unofficial English translation from Hebrew original), as amended on September 14, 2006	F-1	333-227601	3.4	9/28/2018	
4.1	Description of Securities					*
4.2	Indenture dated February 16, 2021, by and among Gamida Cell Inc., Gamida Cell Ltd. and Wilmington Savings Fund Society, FSB	6-K	001-38716	4.1	2/16/2021	
4.3	Form of Convertible Senior Note (included as an exhibit to Exhibit 4.2)	6-K	001-38716	4.2	2/16/2021	
10.1	Form of Indemnification Agreement	10-K	001-38716	10.1	3/24/2022	
10.2+	Employee Share and Option Plan (1998)	F-1	333-227601	10.2	9/28/2018	
10.3+	Stock Option Plan (1999)	F-1	333-227601	10.3	9/28/2018	
10.4+	2003 Israeli Share Option Plan	F-1	333-227601	10.4	9/28/2018	
10.5+	2014 Israeli Share Option Plan	F-1	333-227601	10.5	9/28/2018	
10.6+	2017 Share Incentive Plan, as amended					*
10.7+	Gamida Cell Ltd. Amended and Restated Compensation Policy					*
10.8	Lease Agreement, dated December 13, 2017, by and between the Registrant and Y.D.B. Investments Ltd. (unofficial English translation from Hebrew original)	F-1	333-227601	10.10	9/28/2018	
10.9	Lease Agreement, dated March 14, 2000, as amended on June 5, 2000 and May 30, 2010, by and between the Registrant and Traub Group Investments Ltd. (formerly P.P.D. Diamonds Ltd.) (unofficial English translation from Hebrew original)	F-1	333-227601	10.11	9/28/2018	
10.10	Registration Rights Agreement dated February 16, 2021, by and among Gamida Cell Inc., Gamida Cell Ltd., Highbridge Convertible Dislocation Fund, L.P., and Highbridge Tactical Credit Master Fund, L.P.	6-K	001-38716	10.2	2/16/2021	
10.11	Amended and Restated Open Market Sale Agreement dated June 5, 2023, by and among Gamida Cell Ltd. and Jefferies LLC	10-Q	001-38716	10.7	8/14/2023	
10.12	Loan and Security Agreement, dated December 12, 2022 by and among Gamida Cell Ltd., Gamida Cell Inc., Wilmington Savings Fund Society, FSB, as collateral agent and administrative Agent, Highbridge Tactical Credit Master Fund, L.P. and the other lenders listed on Schedule 1.1 thereto	8-K	001-38716	10.1	12/12/2022	
10.13	Form of 7.5% First Lien Secured Note due 2024	8-K	001-38716	10.2	12/12/2022	
10.14	Registration Rights Agreement, dated December 12, 2022 by and among Gamida Cell Ltd., Gamida Cell Inc., and the entities listed on the signature pages thereto	8-K	001-38716	10.3	12/12/2022	
10.15+	Employment Agreement, effective September 19, 2022, by and between Gamida Cell Inc. and Abigail Jenkins, as amended on March 12, 2024					*
10.16+	Employment Agreement, dated July 20, 2020, by and between Gamida Cell Inc. and Michele Korfin, as amended on March 12, 2024					*

10.17+	Employment Agreement, dated July 15, 2021, by and between Gamida Cell Inc. and Josh Patterson, as amended on July 15, 2022 and March 12, 2024					*
10.18+	Employment Agreement, dated April 30, 2017, by and between Gamida Cell Inc. and Ronit Simantov, as amended on July 26, 2022 and March 14, 2024					*
10.19+	Special Transaction Bonus Agreement, dated May 19, 2023, by and between Abbey Jenkins and Gamida Cell Ltd.	10-Q	001-38716	10.3	8/14/2023	
10.20+	Retention Bonus and Special Transaction Bonus Agreement, dated May 19, 2023, by and between Michele Korfin and Gamida Cell Ltd.	10-Q	001-38716	10.4	8/14/2023	
10.21+	Retention Bonus and Special Transaction Bonus Agreement, dated May 19, 2023, by and between Josh Patterson and Gamida Cell Ltd.	10-Q	001-38716	10.5	8/14/2023	
10.22+	Retention Bonus and Special Transaction Bonus Agreement, dated May 19, 2023, by and between Ronit Simantov and Gamida Cell Ltd.	10-Q	001-38716	10.6	8/14/2023	
10.23+	Amended and Restated Consulting Agreement, entered into as of May 22, 2023, by and between Terry Coelho and Gamida Cell Ltd.	10-Q	001-38716	10.2	8/14/2023	
10.24	Second Amended and Restated Consulting Agreement, effective December 31, 2023, by and between Terry Coelho and Gamida Cell Ltd.					*
21.1	Subsidiaries of the Registrant	F-1	333-227601	21.1	9/28/2018	
23.1	Consent of Kost Forer Gabbay & Kasierer, a Member of Ernst & Young Global, Independent Registered Accounting Firm					*
24.1	Power of Attorney (included on the Signature page of this Annual Report on Form 10-K)					
31.1	Certification of Principal Executive Officer pursuant to Exchange Act Rule 13a-14(a) and Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					*
31.2	Certification of Principal Financial Officer pursuant to Exchange Act Rule 13a-14(a) and Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					*
32.1	Certification of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					**
97.1	Gamida Cell Ltd. Incentive Compensation Recoupment Policy					*
101.INS	Inline XBRL Instance 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 Labels 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.

** Furnished herewith and not deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, the Exchange Act, and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Form 10-K), irrespective of any general incorporation language contained in such filing.

\+ Indicates a management contract or compensatory plan.

SIGNATURES

Pursuant to the requirements of Section 13 and 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: March 27, 2024

Gamida Cell Ltd.

By: /s/ Abigail Jenkins
Abigail Jenkins
President and Chief Executive Officer
(Principal Executive Officer)

By: /s/ Terry Coelho
Terry Coelho
Chief Financial Officer
(Principal Financial and Accounting Officer)

POWER OF ATTORNEY

Each of the undersigned officers and directors of Gamida Cell Ltd., hereby constitutes and appoints Abigail Jenkins and Terry Coelho, their true and lawful attorney-in-fact and agent, for them and in their name, place and stead, in any and all capacities, to sign their name to any and all amendments to this Report on Form 10-K, and other related documents, and to cause the same to be filed with the Securities and Exchange Commission, granting unto said attorneys, full power and authority to do and perform any act and thing necessary and proper to be done in the premises, as fully to all intents and purposes as the undersigned could do if personally present, and the undersigned for himself hereby ratifies and confirms all that said attorney shall lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on March 27, 2024 on behalf of the registrant and in the capacities indicated.

Signature	Title	Date
/s/ Abigail Jenkins Abigail Jenkins	President, Chief Executive Officer and Director (Principal Executive Officer)	March 27, 2024
/s/ Terry Coelho Terry Coelho	Chief Financial Officer (Principal Financial and Accounting Officer)	March 27, 2024
/s/ Shawn Tomasello Shawn Tomasello	Chairman of the Board of Directors	March 27, 2024
/s/ Ivan Borrello Ivan Borrello	Director	March 27, 2024
/s/ Julian Adams Julian Adams	Director	March 27, 2024
/s/ Kenneth I. Moch Kenneth I. Moch	Director	March 27, 2024
/s/ Stephen T. Wills Stephen T. Wills	Director	March 27, 2024
Gamida Cell Inc. /s/ Abigail Jenkins Abigail Jenkins, President and Chief Executive Officer	Authorized U.S. Representative	March 27, 2024

GAMIDA CELL LTD. AND ITS SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2023

U.S. DOLLARS IN THOUSANDS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of

GAMIDA CELL LTD.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Gamida Cell Ltd. and its subsidiary (the Company) as of December 31, 2023 and 2022, the related consolidated statements of operations, changes in shareholders' equity (deficit) and cash flows for each of the two years in the period ended December 31, 2023, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

The Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1c to the financial statements, the Company has suffered recurring losses from operations, has negative cash flows from operating activities, and has stated that substantial doubt exists about the Company's ability to continue as a going concern. Management's evaluation of the events and conditions including the debt restructuring process are also described in Note 1c. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Description of the Matter	***Convertible note***
	As described in Note 5 to the consolidated financial statements, in December 2022, the Company issued $25,000 thousand principal amount of 7.5% Convertible note due in 2027 (the "2022 Notes"). The Company elected to account for the 2022 Notes using the fair value option, and measured the 2022 Notes at fair value each period with changes in fair value reported in the statements of operations. At December 31, 2023, the fair value of the Company's Level III 2022 Notes was totaled to $6,505 thousand. Management determined the fair value of these Convertible Notes by using the Monte Carlo simulation analysis. Auditing the fair value of the Company's 2022 Notes was complex due to the judgment and estimation used by management to determine the fair value . The fair value is sensitive to changes in the key inputs and assumptions, and therefore required judgement in evaluating their reasonableness. The significant judgments and estimation were primarily attributed to the valuation methodologies, including the unobservable inputs and other assumptions and estimates used in the measurements, including the use of the Monte Carlo simulation to calculate the fair value of 2022 Note with inputs such as payments dates, credit spreads, volatility, share price, risk free rate as of the valuation date and cost of debt.
How We Addressed the Matter in Our Audit	Our audit procedures included, among others, testing the accuracy of the source data used by management in the valuation and the mathematical accuracy of the Company's valuation calculations. We also involved our valuation specialists to evaluate the Company's determination of the fair value of the 2022 Notes, including testing the appropriateness of the methodology and underlying assumptions used, independent sourcing of key inputs and assumptions, and developing independent estimates. The significant assumptions used to estimate the fair value of the 2022 Notes included estimates of the payments dates, credit spreads, volatility, share price, risk free rate as of the valuation date and cost of debt.

/s/ KOST FORER GABBAY & KASIERER
KOST FORER GABBAY & KASIERER
A Member of EY Global

We have served as the Company's auditor since 2000.

Tel-Aviv, Israel
March 27, 2024

CONSOLIDATED BALANCE SHEETS

U.S. dollars in thousands (except share and per share data)

	December 31,	
	2023	**2022**
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 46,554	$ 64,657
Short-term restricted deposit	3,056	-
Inventory	1,906	-
Accounts receivable	1,610	-
Prepaid expenses and other current assets	1,420	1,889
Total current assets	54,546	66,546
NON-CURRENT ASSETS:		
Restricted deposits	377	3,668
Property, plant and equipment, net	41,264	44,319
Operating lease right-of-use assets	3,177	7,024
Other long-term assets	2,822	3,216
Total non-current assets	47,640	58,227
Total assets	$ 102,186	$ 124,773

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

CONSOLIDATED BALANCE SHEETS

U.S. dollars in thousands (except share and per share data)

	December 31,	
	2023	**2022**
LIABILITIES AND SHAREHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Trade payables	$ 1,880	$ 6,384
Employees and payroll accruals	5,637	5,300
Operating lease liabilities	1,270	2,648
Accrued interest of convertible senior notes	1,780	1,652
Convertible senior notes	6,505	-
Accrued expenses and current liabilities	8,129	8,891
Total current liabilities	25,201	24,875
NON-CURRENT LIABILITIES:		
Convertible senior notes, net	73,041	96,450
Warrants liability	3,284	-
Long-term operating lease liabilities	2,127	4,867
Other long-term liabilities	1,482	6,604
Total non-current liabilities	79,934	107,921
Total liabilities	105,135	132,796
CONTINGENT LIABILITIES AND COMMITMENTS		
SHAREHOLDERS' DEFICIT:		
Ordinary shares of NIS 0.01 par value - Authorized: 325,000,000 and 150,000,000 shares at December 31, 2023 and 2022; Issued: 144,596,195 and 74,703,030 shares at December 31, 2023 and 2022, respectively; Outstanding: 144,443,714 and 74,583,026 shares at December 31, 2023 and 2022, respectively	391	211
Treasury ordinary shares of NIS 0.01 par value; 152,481 and 120,004 shares at December 31, 2023 and 2022, respectively	*	*
Additional paid-in capital	476,488	408,598
Accumulated deficit	(479,828)	(416,832)
Total shareholders' deficit	(2,949)	(8,023)
Total liabilities and shareholders' deficit	$ 102,186	$ 124,773

(*) Represents an amount lower than $1.

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

CONSOLIDATED STATEMENTS OF OPERATIONS

U.S. dollars in thousands (except share and per share data)

	Year ended December 31,	
	2023	**2022**
Net revenue	$ 1,784	$ -
Cost of sales	1,454	-
Excess Capacity	4,081	-
Research and development expenses, net	24,308	42,692
Selling, general and administrative	44,584	32,301
Other operating expenses	395	-
Total operating expenses	73,368	74,993
Total operating loss	73,038	74,993
Financial (income) expenses	(10,042)	4,382
Net loss	$ 62,996	$ 79,375
Net loss per share attributable to ordinary shareholders, basic and diluted	$ 0.57	$ 1.24
Weighted average number of shares used in computing net loss per share attributable to ordinary shareholders, basic and diluted	110,049,547	63,826,295

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

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)

U.S. dollars in thousands (except share and per share data)

	Ordinary shares		Additional paid-in capital	Treasury shares	Accumulated deficit	Total shareholders' equity (deficit)
	Number	Amount				
Balance as of December 31, 2021	59,970,389	$ 169	$ 381,225	$ -	$ (337,457)	$ 43,937
Grant of restricted shares and vested restricted share units	240,050	1	(1)	-	-	-
Exercise of options	47,426	*	76	-	-	76
Issuance of ordinary shares, net of issuance expenses **)	14,445,165	41	22,257	-	-	22,298
Treasury shares	(120,004)	-	-	*	-	-
Share-based compensation	-	-	5,041	-	-	5,041
Loss	-	-	-	-	(79,375)	(79,375)
Balance as of December 31, 2022	74,583,026	211	408,598	*	(416,832)	(8,023)
Issuance of ordinary shares upon release of restricted share units	588,612	2	1	-	-	3
Exercise of options	1,066	*	*	-	-	*
Issuance of ordinary shares, net of issuance expenses ***)	58,015,620	157	44,796	-	-	44,953
Issuance of ordinary shares for 2022 Notes	11,254,597	21	17,537	-	-	17,558
Exercise of warrants liability	33,270	*	45	-	-	45
Treasury shares	(32,477)	-	-	*	-	*
Share-based compensation	-	-	5,511	-	-	5,511
Loss	-	-	-	-	(62,996)	(62,996)
Balance as of December 31, 2023	144,443,714	391	476,488	*	(479,828)	(2,949)

*) Represents an amount lower than $1
**) Issuance expenses of $4,160
***)Issuance expenses of $3,067

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands (except share and per share data)

	Year ended December 31,	
	2023	**2022**
Cash flows from operating activities:		
Net Loss	$ (62,996)	$ (79,375)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation of property, plant and equipment	2,024	440
Financing expense (income), net	829	(375)
Share-based compensation	5,511	5,041
Change in fair value of warrants liability	(17,469)	-
Change in fair value in convertible note	611	-
Warrants liability issuance costs	1,733	-
Amortization of debt discount and issuance costs	841	783
Loss from sale of equipment	395	-
Change in assets and liabilities:		
Increase in inventory	326	-
Operating lease right-of-use assets	2,679	2,494
Operating lease liabilities	(2,949)	(3,069)
Increase in accounts receivable	(1,610)	-
Decrease in prepaid expenses and other assets	1,001	669
Decrease in trade payables	(4,504)	(1,888)
Decrease (increase) in accrued expenses and current liabilities	(5,542)	4,857
Net cash used in operating activities	(79,120)	(70,423)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(1,081)	(6,354)
Purchase of marketable securities	-	(5,037)
Proceeds from maturity of marketable securities	-	45,029
Proceeds from restricted deposits	238	406
Proceeds from sale of equipment	33	-
Net cash provided by (used in) investing activities	(810)	34,044

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands (except share and per share data)

	Year ended December 31,	
	2023	**2022**
Cash flows from financing activities:		
Proceeds from exercise of warrants liability	45	-
Proceeds from exercise of options	*	76
Principal payments of convertible senior note	(2,249)	-
Proceeds from share issuance and warrants liability, net	63,976	22,298
Proceeds from issuance of convertible senior notes, net	-	22,770
Net cash provided by financing activities	61,772	45,144
Effect of exchange rate changed on cash and cash equivalents	55	-
Decrease (increase) in cash and cash equivalents	(18,103)	8,765
Cash and cash equivalents at beginning of year	64,657	55,892
Cash and cash equivalents at end of year	$ 46,554	$ 64,657
Significant non-cash transactions:		
Lease liabilities arising from new right-of-use asset	$ -	$ 2,282
Purchase of property, plant and equipment on credit	$ -	$ 720
Conversion of convertible senior note	$ 16,107	$ -
Reclassification from property, plant and equipment to inventory	$ 2,232	$ -
Cash paid for interest	$ 5,909	$ 4,406

(*) Represents an amount lower than $1

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

NOTE 1:- GENERAL

a. Gamida Cell Ltd., founded in 1998, is a cell therapy pioneer working to turn cells into powerful therapeutics. The Company has a wholly-owned U.S. subsidiary, Gamida Cell Inc. (the "Subsidiary"), which was incorporated in 2000, under the laws of the State of Delaware. The financial statements represents the consolidation of these two entities (the "Company"). The Company applies a proprietary expansion platform leveraging the properties of nicotinamide, or NAM, to allogeneic cell sources including umbilical cord blood-derived cells and natural killer, or NK, cells to create cell therapy candidates, with the potential to redefine standards of care.

b. On April 17, 2023, the U.S. Food and Drug Administration approved the Company's allogenic cell therapy, Omisirge (omidubicel-onlv), for use in adult and pediatric patients 12 years and older with hematologic malignancies who are planned for umbilical cord blood transplantation following myeloablative conditioning to reduce the time to neutrophil recovery and the incidence of infection. In addition, the Company has applied its NAM cell expansion technology to NK cells, to develop its initial NK product candidate, GDA-201, an investigational, NK cell-based immunotherapy for the treatment of hematologic and solid tumors in combination with standard of care antibody therapies. In the first quarter of 2023, the Company completed a strategic reprioritization of Company's business activities to reduce Company's operating expenses and focus on the commercial launch of Omisirge® (omidubicel-onlv).

c. Prior to FDA approval of Omisirge in April 2023, the Company devoted substantially all of its efforts toward research and development activities. In the course of such activities, the Company has sustained operating losses and expects such losses to continue in the foreseeable future. The Company's accumulated deficit as of December 31, 2023 was $479,828 and negative cash flows from operating activities during the year ended December 31, 2023 were $79,120. As of December 31, 2023, the Company had approximately $46,554 in cash and cash equivalents. The Company has limited available cash resources and requires additional financing in order to continue to fund its current operations beyond the second quarter of 2024, and to pay existing and future liabilities and other obligations.

On March 26, 2024, the Company entered into a Restructuring Support Agreement, or the Support Agreement, with certain funds managed by Highbridge Capital Management, LLC. These funds hold all of the Company exchangeable senior notes issued in 2021 and 2022.

Pursuant to the Support Agreement, the Company and Highbridge have agreed to restructure all of our outstanding equity and debt in a voluntary restructuring proceeding in the District Court of Beersheba, Israel that is governed by Israeli law, referred to as the restructuring process.

If this process is completed as contemplated by the Support Agreement, all outstanding shares of Gamida Cell Ltd. will be cancelled, after which Gamida Cell Ltd. will continue to exist as a private operating company that is owned entirely by Highbridge. Pursuant to the Support Agreement, each holder of ordinary shares of the Company as of the completion of the restructuring process will be entitled to a certain contingent value rights agreement to be executed in connection with the restructuring process.

There is no assurance that the Company will complete the restructuring process as currently contemplated. If the Company is unable to complete restructuring process in the second quarter of 2024, the Company expects that it will enter into involuntary restructuring proceedings in Israeli court and the Company's shareholders would not receive any proceeds from such proceedings.

These conditions raise substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments to the carrying amounts and classifications of assets and liabilities that would result if the Company were unable to continue as a going concern.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

a. Basis of presentation of the financial statements:

The Company's consolidated financial statements have been prepared in accordance with United States generally accepted accounting principles (U.S. GAAP).

b. Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. The Company's management believes that the estimates, judgment and assumptions used are reasonable based upon information available at the time they are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities at the dates of the consolidated financial statements, and the reported amount of expenses during the reporting periods. Estimates may include: revenue recognition, such as returns of product sold, stock-based compensation, impairment of inventory, warrants liability, convertible senior note and impairment of long lived assets. Actual results could differ from those estimates.

c. Principles of consolidation:

The consolidated financial statements include the accounts of the Company and its subsidiary. Intercompany balances have been eliminated upon consolidation. The Company has one operating segment and reporting unit.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

d. Consolidated financial statements in U.S dollars:

The functional currency is the currency that best reflects the economic environment in which the Company and its subsidiary operates and conducts their transactions. Most of the Company's revenues and costs are incurred in U.S. dollar. In addition, the Company's financing activities are incurred in U.S. dollars. The Company's management believes that the functional currency of the Company is the U.S. dollar. Accordingly, monetary accounts maintained in currencies other than the U.S. dollar are remeasured into U.S. dollars in accordance with ASC No. 830 "Foreign Currency Matters." All transaction gains and losses of the remeasured monetary balance sheet items are reflected in the statements of operations as financing income or expenses as appropriate.

e. Cash and cash equivalents:

Cash equivalents are short-term highly liquid deposits that are readily convertible to cash with original maturities of three months or less, at the date acquired.

f. Short-term and long-term restricted deposits:

Restricted short-term deposits are deposits with maturities of up to one year and are used as security for the rental of premises and as guarantee for the Israeli Investment Center. Restricted long-term deposits are deposits with maturities of more than one year and are used as security for the rental of premises and for the Company's credit cards.

g. Property, plant and equipment:

Property, plant and equipment are measured at cost, including directly attributable costs, less accumulated depreciation, accumulated impairment losses and any related investment grants, excluding day-to-day servicing expenses.

Depreciation is calculated on a straight-line basis over the useful life of the assets at annual rates as follows:

	%
Machinery	10-15
Leasehold improvements	(*)
Office, furniture and equipment	6-33
Production plant	11

(*) Over the shorter of the term of the lease or its useful life.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

h. Impairment of long-lived assets:

The Company's long-lived assets are reviewed for impairment in accordance with ASC No. 360 "Property, Plant and Equipment," whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If indicators of impairment exist and the undiscounted future cash flows that the assets are expected to generate are less than the carrying value of the assets, the Company reduces the carrying amount of the assets through an impairment charge, to their estimated fair values. During the years ended December 31, 2023 and 2022, no impairment indicators have been identified.

i. Treasury shares:

From time to time, forfeited equity grants will be transferred to the Company and the Company holds them as treasury shares. The Company presents the cost to repurchase treasury shares as a reduction of shareholders' equity.

j. Share-based compensation:

The Company accounts for share-based compensation in accordance with ASC No. 718, "Compensation - Stock Compensation", which requires companies to estimate the fair value of equity-based payment awards on the date of grant using an option-pricing model. The value of the award is recognized as an expense over the requisite service periods, which is the vesting period of the respective award, on a straight-line basis when the only condition to vesting is continued service.

The Company has selected the binominal option-pricing model as the most appropriate fair value method for its option awards. The fair value of restricted shares is based on the closing market value of the underlying shares at the date of grant. The Company recognizes forfeitures of equity-based awards as they occur.

k. Accounts receivable:

Accounts receivable are recorded net of credit losses allowance for any potential uncollectible amounts.

The Company's accounts receivable balance consists of amounts due from product sales to a single customer which is the Company's sole distributor of Omisirge in the United States.

The Company makes estimates of expected credit and collectability trends for the allowance for credit losses based upon its assessment of various factors, the age of the trade receivable balances, credit quality of its customers, current economic conditions, reasonable and supportable forecasts of future economic conditions, and other factors that may affect its ability to collect from customers.

As of December 31, 2023 no allowances for credit losses of trade receivable were recorded.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

l. Employee benefit liabilities:

1. Severance pay

The majority of the Company's employees who are Israeli citizens have subscribed to Section 14 of Israel's Severance Pay Law, 5723-1963 (the "Severance Pay Law"). Pursuant to Section 14 of the Severance Pay Law, employees covered by this section are entitled to monthly deposits at a rate of 8.33% of their monthly salary, made on their behalf by the Company. Payments made to employees in accordance with this section release the Company from any future severance liabilities with respect to such employees. Neither severance pay liability nor severance pay fund under Section 14 of the Severance Pay Law is recorded on the Company's consolidated balance sheets.

For the Company's employees in Israel who are not subject to Section 14 of the Severance Pay Law, the Company has a liability for severance pay pursuant to the Severance Pay Law based on the most recent salary of these employees multiplied by the number of years of employment as of the balance sheet date. Accrued severance pay for these employees was $1,482 and $1,914 as of December 31, 2023 and 2022, respectively. The Company's liability for these employees is fully provided for by monthly deposits with severance pay funds, insurance policies and accruals. The deposited funds include profits accumulated up to the balance sheet date. The deposited funds may be withdrawn only upon the fulfillment of the obligation pursuant to the Severance Pay Law or labor agreements. The severance pay fund amounted to $1,359 and $1,703 as of December 31, 2023 and 2022, respectively.

Severance expense for the years ended December 31, 2023 and 2022, was $483 and $895, respectively

The Company offers a defined contribution 401(k) plan (the "Plan") covering all eligible US employees. Participants are permitted to make contributions up to the maximum amount allowed under the Internal Revenue Code. The Company's contributions to the Plan for the years ended December 31, 2023 and 2022 were $515 and $424, respectively.

NOTE2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

m. Fair value of financial instruments:

The accounting guidance for fair value provides a framework for measuring fair value, clarifies the definition of fair value, and expands disclosures regarding fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the reporting date. The accounting guidance establishes a three-tiered hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value as follows:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs that are based on inputs not quoted on active markets but corroborated by market data.

Level 3: Unobservable inputs are used when little or no market data are available.

n. Leases:

The Company accounts for leases according to ASC 842, “Leases”. The Company determines if an arrangement is a lease and the classification of that lease at inception based on: (1) whether the contract involves the use of a distinct identified asset, (2) whether the Company obtains the right to substantially all the economic benefits from the use of the asset throughout the period, and (3) whether the Company has a right to direct the use of the asset. The Company elected the practical expedient for lease agreements with a term of twelve months or less and does not recognize right-of-use (“ROU”) assets and lease liabilities in respect of those agreements. The Company also elected the practical expedient to not separate lease and non-lease components for its leases.

An ROU asset represents the right to use an underlying asset for the lease term and lease liabilities represent the Company’s obligation to make lease payments arising from the lease agreement. An ROU asset is measured based on the discounted present value of the remaining lease payments, plus any initial direct costs incurred and prepaid lease payments, excluding lease incentives. The lease liability is measured at lease commencement date based on the discounted present value of the remaining lease payments. The implicit rate within the operating leases is generally not determinable, therefore the Company uses the Incremental Borrowing Rate (“IBR”) based on the information available at commencement date in determining the present value of lease payments. The Company’s IBR is estimated to approximate the interest rate for collateralized borrowing with similar terms and payments and in economic environments where the leased asset is located. Certain leases include options to extend the lease. An option to extend the lease is considered in connection with determining the ROU asset and lease liability when it is reasonably certain that the Company will exercise that option. An option to terminate is considered unless it is reasonably certain that the Company will not exercise the option. Payments under the Company’s lease arrangements are primarily fixed however, certain lease agreements contain variable payments, which are expensed as incurred and not included in the operating lease right-of-use assets and liabilities. Variable lease payments are primarily comprised of payments affected by common area maintenance and utility charges.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

o. Inventories:

Inventories are stated at the lower of cost or net realizable value; cost is determined using the average cost method. The Company regularly evaluates its ability to realize the value of inventory. If the inventories are deemed damaged, if actual demand of the Company's therapies deteriorates, or if market conditions are less favorable than those projected, inventory reserves or write-offs may be required.

As of December 31, 2023, a reserve for slow-moving inventory approaching expiration dates and inventory write-offs of $357 was recorded.

p. Revenue recognition:

Revenues are recognized in accordance with ASC 606. Revenue from contracts with customers is recognized when control of the promised goods or services is transferred to the customers, in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

The Company's revenues are comprised of product revenue which represents the sales of Omisirge. The Company has a sole distributor in the United States and sells to this customer.

To determine revenue recognition for arrangements the Company determines that are within the scope of Topic 606, the Company performs the following five steps:

(i) Identify the contract(s) with a customer:

The Company enters into an enforceable contract with customer that defines each party's rights regarding delivery of and payment for a Product, (ii) the contract has commercial substance and (iii) the Company determines that collection of substantially all consideration for such Product is probable based on the payer's intent and ability to pay the promised consideration.

(ii) Identify the performance obligations in the contract:

The Company's contracts include the sale and delivery of Omisirge, which represent the Company's single performance obligation under each contract.

(iii) Determine the transaction price:

The transaction price is determined based on the consideration to which the Company will be entitled in exchange for providing a Product to the customer. To the extent the transaction price includes variable consideration, the Company estimates the amount of variable consideration that should be included in the transaction price utilizing either the expected value method or the most likely amount method depending on the nature of the variable consideration. Variable consideration is included in the transaction price if, in the Company's judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur.

Product revenues are recognized at the time of delivery to the transplant center.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(iv) Allocate the transaction price to the performance obligations in the contract:

The entire transaction price is allocated to the single performance obligation.

(v) Recognize revenue when (or as) the entity satisfies a performance obligation:

Revenue is recognized when or as performance obligations are satisfied by transferring control of a promised good or service to a customer. Control either transfers over time or at a point in time, which affects when revenue is recorded.

Revenues from sales of products are recognized at a point in time based on the transfer of control of the product, which is 24 hours after delivery to a transplant center.

The Company applied the practical expedient in ASC 606 and did not evaluate payment terms of one year or less for the existence of a significant financing component.

For the year ended December 31, 2023 all of the company's revenues were incurred in USA and the payment terms are typically 95 days based on customary practices.

q. Research and development expenses:

Research and development expenses net of grants are recognized in the consolidated statements of operations when incurred. Research and development expenses consist of personnel costs (including salaries, benefits and share-based compensation), materials, consulting fees and payments to subcontractors, costs associated with obtaining regulatory approvals, and executing preclinical and clinical studies. In addition, research and development expenses include overhead allocations consisting of various administrative and facilities related costs. The Company charges research and development expenses as incurred. Royalty-bearing grants from the Israeli Innovation Authority (the "IIA") of the Ministry of Economy and Industry in Israel for funding of approved research and development projects are recognized at the time the Company is entitled to such grants, on the basis of the costs incurred, and are presented as a reduction from research and development expenses. In the event of failure of a project that was partly financed by the IIA, the Company will not be obligated to pay any royalties or repay the amounts received. The Company recognized the amounts of grants received in research and development as a reduction from research and development expenses in the amount of $309 and $978 for the years ended December 31, 2023 and 2022, respectively.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

r. Cost of Sales:

Cost of sales includes direct costs attributable to the production of Omisirge. Cost of sales includes raw materials, production, labor, and certain maintenance and indirect manufacturing overheads costs, quality testing directly related to the product, and depreciation on equipment used in the manufacturing of Omisirge. It also includes any cost of batch failure losses and royalty expenses. Cost of sales for Omisirge are recognized when batch failure or revenue is recognized.

s. Excess Capacity:

Excess capacity costs reflect labor and manufacturing overhead costs incurred above the amount of these costs absorbed in cost of sales as part of standard costs, which are based on staffed capacity levels, given that the Kiryat Gat facility is staffed to produce the anticipated demand over the course of the coming year.

t. Selling, General & Administrative (SG&A):

Beginning July 1, 2023, reporting of Operating Expenses has been modified to reflect the Company's transition to commercial stage. Costs that were previously reported as Commercial and General & Administrative costs, are currently being reported as part of Selling, General & Administrative (SG&A) expenses. SG&A Costs consist mainly of personnel costs (including salaries, benefits and share-based compensation), supply chain and quality assurance indirect expenses, medical affairs expenses, marketing and selling, finance, and legal expenses.

u. Income taxes:

The Company accounts for income taxes in accordance with ASC 740, "Income Taxes", which prescribes the use of the liability method whereby deferred tax asset and liability account balances are determined based on differences between the financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company provides a valuation allowance, to reduce deferred tax assets to their estimated realizable value, if needed. ASC 740 offers a two-step approach for recognizing and measuring a liability for uncertain tax positions. The first step is to evaluate the tax position taken or expected to be taken in a tax return by determining if the weight of available evidence indicates that it is more likely than not that, on an evaluation of the technical merits, the tax position will be sustained on audit, including resolution of any related appeals or litigation processes. The second step is to measure the tax benefit as the largest amount that is more than 50% likely to be realized upon ultimate settlement. Any interest and penalties related to unrecognized tax benefits are recorded as income tax expense. As of December 31, 2023 and 2022, no liability for unrecognized tax benefits was recorded as a result of ASC 740.

v. Basic and diluted net loss per share:

The Company computes net loss per share using the two-class method required for participating securities. The two-class method requires income available to ordinary shareholders for the period to be allocated between ordinary shares and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed. The Company considers its restricted shares to be participating securities as the holders of the restricted shares would be entitled to dividends that would be distributed to the holders of ordinary shares, on a pro-rata basis. These participating securities do not contractually require the holders of such shares to participate in the Company's losses. As such, net loss for the periods presented was not allocated to the Company's participating securities.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

The Company's basic net loss per share is calculated by dividing net loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding for the period, without consideration of potentially dilutive securities. The diluted net loss per share is calculated by giving effect to all potentially dilutive securities outstanding for the period using the treasury share method or the if-converted method for the convertible senior notes if the assumed conversion into ordinary shares is dilutive. Diluted net loss per share is the same as basic net loss per share in periods when the effects of potentially dilutive ordinary shares are antidilutive.

w. Recently adopted accounting standards:

In June 2016, FASB issued ASU 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. ASU 2016-13 amends the impairment model to utilize an expected loss methodology in place of the currently used incurred loss methodology, which will result in the more timely recognition of losses. Topic 326 is effective for the Company beginning on January 1, 2023. Effective January 1, 2023, the Company adopted the standard. Adoption of the standard did not have material impact on the financial statements.

x. Recently issued accounting pronouncements not yet adopted:

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

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which requires public entities, on an annual basis, to provide disclosure of specific categories in the rate reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. For the Company, ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2023-09.

NOTE 3:- PROPERTY, PLANT AND EQUIPMENT, NET

The composition of property, plant and equipment is as follows:

	December 31,	
	2023	2022
Cost:		
Machinery	$ 2,796	$ 4,383
Leasehold improvements	1,280	1,447
Office, furniture and equipment	941	1,014
Production plant	41,122	41,971
	46,139	48,815
Less - accumulated depreciation	(4,875)	(4,496)
Depreciable cost	$ 41,264	$ 44,319

Depreciation expense amounted to $2,024 and $440 for the years ended December 31, 2023 and 2022, respectively. The depreciation expense relating to equipment sold during 2023 was $1,646.

Loss from sale of equipment amounted to $395 for the year ended December 31, 2023 and was recognized in Other operating expenses.

NOTE 4:- LEASES

The Company entered into operating leases primarily for its production plant, and its laboratories, offices and automobiles. The leases have remaining lease terms of up to four years, The Company does not assume renewals in its determination of the lease term unless the renewals are considered as reasonably certain at lease commencement.

The components of operating lease costs were as follows:

	Year ended December 31,	
	2023	2022
Operating lease costs	$ 2,476	$ 2,833
Short-term lease costs	17	91
Total lease costs	$ 2,493	$ 2,924

NOTE 4:- LEASES (Cont.)

Supplemental balance sheet information related to operating leases is as follows:

	Year ended December 31,	
	2023	2022
Weighted average remaining lease term (in years)	3.18	3.28
Weighted average discount rate	2.63%	3.56%

Maturities of lease liabilities were as follows:

	Year ended December 31,
2024	1,172
2025	1,044
2026	691
2027	525
Total undiscounted lease payments	3,432
Less - imputed interest	(35)
Present value of lease liabilities	$ 3,397

NOTE 5:- CONVERTIBLE SENIOR NOTES, NET

a. On February 16, 2021, the Subsidiary issued convertible senior notes (the "2021 Notes") due in 2026, in the aggregate principal amount of $75,000, pursuant to an Indenture between the Company, the Subsidiary, and Wilmington Savings Fund Society, FSB, dated February 16, 2021 (the "Indenture"). The 2021 Notes bear interest payable semiannually in arrears, at a rate of 5.875% per year. The 2021 Notes will mature on February 15, 2026, unless earlier converted, redeemed or repurchased in accordance with their terms.

Subject to the provisions of the Indenture, the holders of the 2021 Notes have the right, prior to the close of business on the second scheduled trading day immediately preceding February 15, 2026, to convert any 2021 Notes or portion thereof that is $1,000 or an integral multiple thereof, into the Company's ordinary shares at an initial conversion rate of 56.3063 shares per $1,000 principal amount of 2021 Notes (equivalent to an exchange price of $17.76 per share). The conversion rate is subject to adjustment in specified events.

Upon the occurrence of a fundamental change (as defined in the Indenture), holders of the 2021 Notes may require the Company to repurchase for cash all or a portion of their 2021 Notes, in multiples of $1,000 principal amount, at a repurchase price equal to 100% of the principal amount of the 2021 Notes, plus any accrued and unpaid interest, if any, to, but excluding, interest accrued after the date of such repurchase notice. If certain fundamental changes referred to as make-whole fundamental changes occur, the conversion rate for the 2021 Notes may be increased.

NOTE 5:- CONVERTIBLE SENIOR NOTES, NET (Cont.)

Subject to the provisions of the Indenture, the Subsidiary may redeem for cash all or a portion of the 2021 Notes for cash, at its option, at a redemption price equal to 100% of the principal amount of the 2021 Notes to be redeemed, plus accrued and unpaid interest on the notes to be redeemed, if the last reported closing price of the Company's ordinary shares has been at least 130% of the exchange price then in effect for at least 20 trading days during any 30 consecutive trading day period, and in the event of certain tax law changes.

The Company accounts for its 2021 Notes in accordance with ASC 470-20 "Debt with Conversion and Other Options". The Convertible Notes are accounted for as a single liability measured at its amortized cost, as no other embedded features require bifurcation and recognition as derivatives according to ASC 815-40.

	Year ended December 31,	
	2023	2022
Liability component:		
Principal amount	$ 75,000	$ 75,000
Issuance costs	(4,223)	(4,223)
Principal net of issuance costs	70,777	70,777
Amortized issuance costs	2,264	1,423
Net carrying amount (including accrued interest)	$ 73,041	$ 72,200

The total issuance costs of the 2021 Notes amounted to $4,223 and are amortized to interest expense at an annual effective interest rate of 7.37%, over the term of the 2021 Notes.

As of December 31, 2023 and 2022, the total estimated fair value of the 2021 Notes was $74,946 and $73,331, respectively. The fair value was determined using the Company's effective rates for December 31, 2023 and 2022.

NOTE 5:- CONVERTIBLE SENIOR NOTES, NET (Cont.)

b. In December 2022, the Company, as guarantor, and the Subsidiary entered into a Loan and Security Agreement (the "Loan Agreement") with certain funds managed by Highbridge Capital Management, LLC (collectively, "Highbridge"), as the lenders (together with the other lenders from time to time party thereto, the "Lenders"), and Wilmington Savings Fund Society, FSB, as collateral agent and administrative agent. Pursuant to the Loan Agreement, the Subsidiary issued $25,000 aggregate principal amount of convertible senior notes (the "2022" Notes). The 2022 Notes bear interest of 7.5% which will be paid on a quarterly basis and monthly principal installment payments.

The 2022 Notes are exchangeable, at the option of the lenders, into ordinary shares at an exchange rate of 0.52356 ordinary shares per $1.00 principal amount, together with a make-whole premium equal to all accrued and unpaid and remaining coupons due through the maturity date. The exchange rate is subject to adjustment in the event of ordinary share dividends, reclassifications and certain other fundamental transactions affecting the ordinary shares. In addition, under certain circumstances, the Company can issue Ordinary shares in exchange for the discharge of the monthly principal installment payments.

The Loan Agreement contains customary representations and warranties and covenants, including a $20 million minimum liquidity covenant and certain negative covenants restricting dispositions, changes in business and business locations, mergers and acquisitions, indebtedness, issuances of preferred stock, liens, collateral accounts, restricted payments, transactions with affiliates, compliance with laws, and issuances of capital stock. Most of these restrictions are subject to certain minimum thresholds and exceptions. Certain of the negative covenants will terminate when less than $5 million of principal amount is outstanding under the Loan Agreement. As of December 31, 2023, the Company is in compliance with such covenants.

The Company has elected the fair value option to measure the 2022 Notes upon issuance, in accordance with ASC 825-10. Under the fair value option, the 2022 Notes are measured at fair value each period with changes in fair value reported in the statements of operations. According to ASC 825-10, changes in fair value that are caused by changes in the instrument-specific credit risk will be presented separately in other comprehensive income (loss).

As of December 31, 2023, the Company issued 10,044,275 and 1,210,322 Ordinary shares in exchange for the discharge of $16,107 of the aggregate outstanding balance and the discharge of $1,451 interest make-whole payments, respectively, in respect of the 2022 Notes. As of December 31, 2023, the Company has paid $2,249 in principal payments and $1,503 in interest payments. The principal balance of the loan as of December 31, 2023 is $6,644.

NOTE 6:- ACCRUED EXPENSES AND CURRENT LIABILTIES

	December 31,	
	2023	2022
Subcontractors	$ 126	$ 794
Third Party Settlement Agreement*	4,424	2,666
Clinical activities	2,169	2,709
Professional services	1,070	1,561
Production plant in process	-	790
Other	340	371
	$ 8,129	$ 8,891

* In December 2022, the Company signed an agreement with Lonza Netherlands B.V., or Lonza, to mutually terminate their Service Agreement, whereas the Company shall pay Lonza an aggregate amount of $8,848 (€8,000). As of December 31, 2023, the Company had paid the first two installment payments of $1,594 (€1,500) and $2,646 (€2,500). The remaining $4,424 (€4,000) will be paid in 2024. The current liability to Lonza increased during 2023, as a portion of the termination payments were classified as long-term liabilities in 2022.

NOTE 7:- SELLING, GENERAL AND ADMINISTRATIVE

	December 31,	
	2023	2022
Salaries & related	$ 17,004	$ 12,902
Share-based compensation	4,183	3,151
Professional services*	20,262	13,099
Other	3,135	3,149
	$ 44,584	$ 32,301

* Professional fees include legal, accounting and audit services, and other consulting fees.

NOTE 8:- FINANCIAL (INCOME) EXPENSES

	December 31,	
	2023	2022
Change in Fair Value of warrant derivative liabilities	$ (17,469)	$ -
Change in Fair Value of convertible loan	611	-
Interest Income	(2,727)	(3,234)
Interest Expense	7,587	5,683
Follow On Costs	1,733	2,132
Other	223	(199)
	$ (10,042)	$ 4,382

NOTE 9:- FAIR VALUE MEASUREMENTS

Cash and cash equivalents, short-term restricted deposits, prepaid expenses and other assets, accounts receivables, trade payables and accrued expenses and other liabilities, are stated at their carrying value which approximates their fair value due to the short time to the expected receipt or payment.

The following tables present the Company's assets and liabilities measured at fair value by level within the fair value hierarchy for the years ended December 31, 2023 and 2022:

	December 31,					
	2023			2022		
	Level 1	Level 3	Total	Level 1	Level 3	Total
Financial assets:						
Money market funds included in cash and cash equivalent	$ 46,554	$ -	$ 46,554	$ 58,827		$ 58,827
					$ -	
Total assets measured at fair value	$ 46,554	$ -	$ 46,554	$ 58,827	$ -	$ 58,827
Financial liabilities:						
2022 Notes	$ -	$ 6,505	$ 6,505	$ -	$ 24,250	$ 24,250
Warrants liability	-	3,284	3,284	-	-	-
Total liabilities measured at fair value	-	$ 9,789	$ 9,789	$ -	$ 24,250	$ 24,250

See Note 5 "Convertible Senior Notes" for the carrying amount and estimated fair value of the Company's 2021 Notes as of December 31, 2023 and 2022.

The Company classify Money market funds within Level 1, and the 2021 Notes, 2022 Notes and warrants liability are classified within Level 3, because the Company uses quoted market prices or alternative pricing sources and models utilizing market observable inputs to determine their fair value.

The warrants liability was valued using a Black Scholes Option Pricing Model, which is considered to be a Level 3 fair value measurement. The Black Scholes model's primary unobservable input utilized in determining the fair value of the Private warrants is the expected volatility of the Ordinary shares. The expected volatility was implied from a blend of the Company's own Ordinary share and Public Warrant pricing, and the average historical share volatilities of several unrelated public companies within the Company's industry that the Company considers to be comparable to its own business.

NOTE 9:- FAIR VALUE MEASUREMENTS (Cont.)

The following table summarizes the warrant liability activity as of December 31, 2023:

	Warrant liability
Initial measurement (April 21, 2023)	$ 20,753
Change in fair value	(17,469)
Balance December 31, 2023	$ 3,284

The key inputs used in the valuation of the warrants liability as of December 31, 2023 and April 21, 2023, the initial measurement date, are included below:

Input	December 31, 2023	April, 21, 2023 initial measurement
Exercise price	$ 1.35	$ 1.35
Share price on date	$ 0.41	$ 1.60
Risk-free rate	4.0%	3.7%
Expected volatility	90%	91%
Dividend Rate	0%	0%

The 2022 Notes were valued using the Monte Carlo simulation analysis to generate expected future cash flows based on movement in the Company's stock price. These future cash flows were then discounted to present value. Cash flows associated with the future conversion of loan principal into shares were discounted at the risk-free rate commensurate with the remaining term of the loan. Future cash flows resulting from the contractual debt payments were discounted at a market yield. The significant inputs into the Monte Carlo simulation were the closing stock price as of December 31, 2023, volatility analysis of the stock, and the risk-free rate using U.S. Treasury Constant Maturity Rate for the remaining time between the Valuation date and maturity date.

The fair value for the 2022 Notes liability as of December 31, 2023 and December 31, 2022:

	2022 Notes
Balance as of December 31, 2022	$ 24,250
2023 principal payments and conversions	(18,356)
Change in fair value	611
Balance as of December 31, 2023	$ 6,505

NOTE 9:- FAIR VALUE MEASUREMENTS (Cont.)

The key inputs used in the valuation of the 2022 Notes liability as of December 31, 2023 and December 31, 2022 the initial measurement date:

	December 31, 2023	December 31, 2022
Voluntary conversion price	$ 1.91	$ 1.91
Share price on date	$ 0.41	$ 1.29
Risk-free rate	4.8%	4.4%
Expected volatility	109%	75%
Implied yield	31.0%	32.8%

NOTE 10:- CONTINGENT LIABILITIES AND COMMITMENTS

a. Legal proceedings:

From time to time the Company or its subsidiaries may be involved in legal proceedings and/or litigation arising in the ordinary course of business. While the outcome of these matters cannot be predicted with certainty, the Company does not believe it will have a material effect on its consolidated financial position, results of operations, or cash flows.

b. Bank guarantees:

As of December 31, 2023, the Company obtained bank guarantees in the amount of $2,844, primarily in connection with an Investment Center grant in order to ensure the fulfillment of the grant terms.

c. Governments grants:

The Company has received grants from the IIA to finance its research and development programs in Israel, through which the Company received IIA participation payments in the aggregate amount of $37,082 through December 31, 2023, of which $34,477 is royalty-bearing grants and $2,605 is non-royalty-bearing grants. In return, the Company is committed to pay IIA royalties at a rate of 3-3.5% of future sales of the developed products, up to 100% of the amount of grants received.

Pursuant to the latest IIA regulations, grants received from the IIA before June 30, 2017 bear an annual interest LIBOR rate that applied at the time of the approval of the applicable file and such interest will apply to all the funding received under that approval. Grants received from the IIA after June 30, 2017 bear an annual interest rate based on the 12-month LIBOR< until December 31, 2023, and as of January 1, 2024, bear an annual interest rate based on the 12-month Secured Overnight Financing Rate (“SOFR”), or in an alternative publication by the Bank of Israel, with the addition of 0.72%. Grants approved after January 1, 2024 will bear the higher of (i) the 12-month SOFR interest rate, plus 1%, or (ii) a fixed annual interest rate of 4%.

Through December 31, 2023, the Company has accrued $61 in royalty expenses. The Company’s contingent royalty liability to the IIA at December 31, 2023, including grants received by the Company and the associated LIBOR interest on all such grants totaled $43,745.

NOTE 11:- SHAREHOLDERS' DEFICIT

a. Ordinary shares:

Subject to the Company's amended and restated Articles of Association, the holders of the Company's ordinary shares have the right to receive notices to attend and vote in general meetings of the Company's shareholders, and the right to share in dividends and other distributions upon liquidation.

On September 27, 2022, the Company issued and sold, in an underwritten public offering, an aggregate of 12,905,000 of its Ordinary shares at a public offering price of $1.55 per share, for gross proceeds of approximately $20,000, before deducting underwriting discounts and commissions and offering expenses.

On April 19, 2023, the Company issued and sold 17,500,000 of its Ordinary shares at a public offering price of $1.30 per ordinary share and accompanying warrants to purchase 17,500,000 Ordinary shares, for gross proceeds of approximately $22,750, before deducting underwriting discounts and commissions and offering expenses of $1,900.

During 2023, the Company had raised $43,120 in net proceeds by issuing 40,515,620 shares via an ATM offering, at an average public offering price of $1.10 per share.

b. Warrants to investors:

As part of its April 2023 underwritten public offering of its securities, the Company granted certain investors 17,500,000 warrants to purchase the Company's Ordinary shares that will expire on April 21, 2028. The warrants were classified as a liability on the balance sheet initially, and subsequently measured at fair value through earnings, as the warrants are not considered indexed to the Company's own equity pursuant to ASC 815-40. The change in fair value of the warrants liability is recognized in financial expenses, net, in the consolidated statements of operation. During the twelve months ended December 31, 2023, 33,270 of such warrants were exercised in exchange for 33,270 of the Company's Ordinary shares.

c. Treasury shares:

During the year ended December 31, 2023, the Company cancelled 32,477 outstanding restricted shares, whereby the restricted shares became treasury shares.

d. Option plans:

On January 23, 2017, the Company's Board of Directors approved the Company's 2017 Share Incentive Plan (the "2017 Plan" and together with the 2014 Plan, the "Option Plans"), and the subsequent grant of options to the Company's employees, officers and directors. Pursuant to the 2017 Plan, the Company initially reserved for issuance 312,867 ordinary shares, nominal value NIS 0.01 each. On February 28, 2017, the Company's shareholders approved the 2017 Plan.

NOTE 11:- SHAREHOLDERS' DEFICIT (Cont.)

The 2017 Plan provides for the grant of awards, including options, restricted shares and restricted share units to the Company's directors, employees, officers, consultants and advisors.

On February 25, 2021 and November 17, 2021, the board of directors and shareholders, respectively, approved an amendment and restatement of the 2017 Plan. The 2017 Plan, as amended, also contains an "evergreen" provision, which provides for an automatic allotment of ordinary shares to be added every year to the pool of ordinary shares available for grant under the 2017 Plan. Under the evergreen provision, on January 1 of each year (beginning January 1, 2022), the number of ordinary shares available under the 2017 Plan automatically increases by the lesser of the following: (i) 4% of our outstanding ordinary shares on the last day of the immediately preceding year; and (ii) an amount determined in advance of January 1 by the board of directors. As of December 31, 2023, 2,455,978 shares were reserved for issuance under the 2017 Plan.

The Company estimates the fair value of stock options granted using the binominal option-pricing model. The option-pricing model requires a number of assumptions, of which the most significant are the expected stock price volatility and the expected option term.

Expected volatility was calculated based upon the Company's historical share price and historical volatilities of similar entities in the related sector index. The expected term of the options granted is derived from output of the option valuation model and represents the period of time that options granted are expected to be outstanding. The risk-free interest rate is based on the yield from U.S. treasury bonds with an equivalent term. The Company has historically not paid dividends and has no foreseeable plans to pay dividends.

The following table lists the inputs to the binomial option-pricing model used for the fair value measurement of equity-settled share options for the above Options Plans for the years 2023 and 2022:

	December 31,	
	2023	**2022**
Dividend yield	0%	0%
Expected volatility of the share prices	69%-74%	66%-67%
Risk-free interest rate	3.5%-4.44%	1.8%-3.8%
Expected term (in years)	8	8

Based on the above inputs, the fair value of the options was determined to be $0.24 - $1.59 per option at the grant date.

NOTE 11:- SHAREHOLDERS' DEFICIT (Cont.)

The following table summarizes the number of options granted to employees under the Option Plans for the year ended December 31, 2023 and related information:

	Number of options	Weighted average exercise price	Weighted average remaining contractual term (in years)	Aggregate intrinsic value
Outstanding at the beginning of the year	6,133,903	4.62	7.51	8,939
Granted	2,167,234	1.51	-	-
Exercised	(1,066)	0.25	-	-
Forfeited	(657,309)	2.58	-	-
Expired	(533,500)	5.57	-	-
Outstanding at the end of the year	7,109,262	3.83	7.16	2,259
Exercisable at the end of the year	4,280,279	4.62	6.25	683

The weighted average exercise price of the Company's options granted during the years ended December 31, 2023 and 2022 was $1.51 and $2.55, respectively.

The weighted-average grant date fair value of options granted during the years ended December 31, 2023 and 2022, was $0.95 and $1.58, respectively.

The following table summarizes information about the Company's outstanding and exercisable options granted to employees as of December 31, 2023:

Exercise price	Options outstanding as of December 31, 2023	Weighted average remaining contractual term (years)	Options exercisable as of December 31, 2023	Weighted average remaining contractual term (years)
$ 0.25- 3.80	4,213,394	8.54	1,725,760	8.43
$ 4.15- 4.95	1,782,094	4.61	1,656,858	5.06
$ 5.21- 7.56	350,934	6.33	275,479	6.05
$ 8.00-11.01	762,840	5.66	622,182	6.29
	7,109,262		4,280,279	

NOTE 11:- SHARE-BASED COMPENSATION (Cont.)

e. A summary of restricted shares and restricted share units activity for the year ended December 31, 2023 is as follows:

	Number of restricted shares and restricted share units	Weighted average grant date fair value
Unvested at the beginning of the year	1,126,743	$ 3.29
Granted	1,056,406	1.51
Vested	(706,619)	2.85
Forfeited	(339,727)	2.28
Unvested at the end of the year	1,136,803	$ 2.22

The total fair value of shares vested during the years ended December 31, 2023 and 2022, was $1,734 and $1,462, respectively.

f. The total share-based compensation expense related to all of the Company's equity-based awards, recognized for the years ended December 31, 2023 and 2022 is comprised as follows:

	Year ended December 31,	
	2023	2022
Cost of sales	$ 9	$ -
Excess Capacity	120	-
Research and development expenses, net	1,199	1,890
Selling, general and administrative	4,183	3,151
Total share-based compensation	$ 5,511	$ 5,041

As of December 31, 2023, there are $5,734 of total unrecognized costs related to share-based compensation that is expected to be recognized over a weighted average period of approximately 1.77 years.

NOTE 12:- TAXES ON INCOME

a. Tax rates applicable to the income of the Company:

1. Corporate tax rates

Taxable income of the Israeli parent is subject to the Israeli corporate tax at the rate of 23% in 2023 and 2022.

The Subsidiary is taxed according to the tax laws in its country of residence.

2. Income tax benefits

Income is subject to tax benefits under the Law for Encouragement of Capital Investments, 1959 (the "Investment Law"), which provides tax benefits for Israeli companies meeting certain requirements and criteria. The Investment Law has undergone certain amendments and reforms in recent decades.

The Israeli parliament enacted a reform to the Investment Law, effective January 2011. According to the reform, a flat rate tax applies to companies eligible for the "Preferred Enterprise" status. In order to be eligible for Preferred Enterprise status, a company must meet minimum requirements to establish that it contributes to the country's economic growth and is a competitive factor for the gross domestic product.

The Company's Israeli operations elected "Preferred Enterprise" status, starting in 2017.

Benefits granted to a Preferred Enterprise include reduced tax rates. As part of the Economic Efficiency Law (Legislative Amendments for Accomplishment of Budgetary Targets for Budget Years 2017-2018), 5777-2016, the tax rate for Area A will be 7.5% in 2017 onwards. In other regions, the tax rate is 16%. Preferred Enterprises in peripheral regions will be eligible for Investment Center grants, as well as the applicable reduced tax rates.

3. Income taxes on non-Israeli subsidiary:

The Company's subsidiary are separately taxed under the domestic tax laws of the jurisdiction of incorporation.

Tax rate applicable to Gamida cell Inc.:

On December 22, 2017, the United States enacted the Tax Cuts and Jobs Act (the "U.S. Tax Reform"); a comprehensive tax legislation that includes significant changes to the taxation of business entities. These changes, most of which are effective for tax years beginning after December 31, 2017, include several key tax provisions that might impact the Company, among others: (i) a permanent reduction to the statutory federal corporate income tax rate from 35% (top rate) to 21% (flat rate) effective for tax years beginning after December 31, 2017 ((ii) stricter limitation on the tax deductibility of business interest expense; (iii) a shift of the U.S. taxation of multinational corporations from a tax on worldwide income to a territorial system (along with certain rules designed to prevent erosion of the U.S. income tax base) (iv) a one-time deemed repatriation tax on accumulated offshore earnings held in cash and illiquid assets, with the latter taxed at a lower rate and (v) an expansion of the U.S. controlled foreign corporation ("CFC") anti deferral starting with the CFC's first tax year beginning in 2018 intended to tax in the U.S. "global intangible low-taxed income" ("GILTI").

NOTE 12:- TAXES ON INCOME (Cont.)

b. The Law for the Encouragement of Industry (Taxation), 1969:

The Company has the status of an "industrial company", under this law. According to this status and by virtue of regulations published thereunder, the Company is entitled to claim a deduction of accelerated depreciation on equipment used in industrial activities, as determined in the regulations issued under the law. The Company is also entitled to amortize a patent or knowhow usage right that is used in the enterprise's development or promotion, to deduct listed share issuance expenses and to file consolidated financial statements under certain conditions.

c. The components of the loss before income taxes were as follows:

	Year ended December 31,	
	2023	2022
Gamida Cell Ltd. - Israel	$ 35,644	$ 66,137
Gamida Cell Inc. – United States	27,352	13,238
	62,996	$ 79,375

d. Net operating losses carryforward:

The Parent Company has net operating losses and capital losses for tax purposes as of December 31, 2023 totaling approximately $348,370 and $1,168, respectively, which may be carried forward and offset against taxable income in the future for an indefinite period.

As of December 31, 2023, the Subsidiary has net operating losses carryforwards of $56,698 for federal tax purposes.

e. Final tax assessments:

The Company's tax assessments through the 2018 tax year are considered final.

NOTE 12:- TAXES ON INCOME (Cont.)

f. Deferred taxes:

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The Company's deferred tax assets are comprised of operating loss carryforwards and other temporary differences.

Significant components of the Company's deferred tax assets are as follows:

	December 31,	
	2023	**2022**
Accruals and reserves	215	184
R&D expenses	2,660	3,421
Stock-based compensation	1,115	1,389
Issuance costs	140	106
Lease liability	392	763
Loss carryforward	42,094	34,029
Capital loss	88	58
Tax credit carried forward	243	234
Deferred tax assets before valuation allowance	46,947	40,184
Less - valuation allowance	46,579	39,548
ROU Asset	(368)	(726)
Net deferred tax assets, net	-	-

Management currently believes that since the Company has a history of losses, and there is uncertainty with respect to future taxable income of the Company, it is more likely than not that the deferred tax assets will not be utilized in the foreseeable future. Thus, a full valuation allowance was provided to reduce deferred tax assets to their realizable value.

In 2022 and 2023 the main reconciling item for the Company's tax rate is tax loss carryforwards and temporary differences, for which a full valuation allowance was provided.

NOTE 13:- BASIC AND DILUTED NET LOSS PER SHARE

Details of the number of shares and loss used in the computation of net loss per share:

	Year ended December 31,			
	2023		2022	
	Weighted number of shares	Net loss attributable to equity holders of the Company	Weighted number of shares	Net loss attributable to equity holders of the Company
For the computation of basic and diluted net loss	110,049,547	$ 62,996	63,826,295	$ 79,375

All outstanding convertible senior note options, warrants, outstanding share options, and restricted shares for the twelve months ended December 31, 2023 and 2022 have been excluded from the calculation of the diluted net loss per share, because all such securities are anti-dilutive for all periods presented. The total number of potential shares excluded from the calculation of diluted net loss per share are as follows:

	Year ended December 31,	
	2023	2022
Convertible senior notes	9,948,582	4,904,318
Warrants	17,466,730	1,670,373
Outstanding share options	6,837,070	5,396,583
Restricted shares	1,526,758	1,289,395
Total	35,779,140	13,260,669

NOTE 14: SUBSEQUENT EVENTS

a. From January 1, 2024 through March 27, 2024, the Company raised an additional $2,993 in net proceeds by issuing 9,362,420 additional ordinary shares via an ATM offering, at an average public offering price of $0.32.

b. On March 26, 2024, the Company entered into a Restructuring Support Agreement, or the Support Agreement, with Highbridge Capital Management, LLC, or Highbridge in order to set forth the terms for the restructuring of Company outstanding debt and equity. If this restructuring process is completed as contemplated by the Support Agreement, the Company will continue to exist as a private operating Company that is owned entirely by Highbridge.

DESCRIPTION OF SHARE CAPITAL

The following descriptions of our share capital and provisions of our amended and restated articles of association are summaries and do not purport to be complete. For a complete description you should refer to our amended and restated articles of incorporation which are included as an exhibit to our Annual Report on Form 10-K, and to the applicable provisions of Israeli law.

General

Our authorized share capital consists of 325,000,000 ordinary shares, par value NIS 0.01 per share. All of our outstanding ordinary shares are validly issued, fully paid and non-assessable. Our ordinary shares are not redeemable and do not have any preemptive rights. We have no preferred shares authorized or outstanding.

Registration Number and Purpose of the Company

We are registered with the Israeli Registrar of Companies. Our registration number is 51-260120-4. Our purpose, as set forth in our amended and restated articles of association, is to engage in any lawful act or activity.

Voting Rights

All ordinary shares have identical voting and other rights in all respects.

Transfer of Shares

Our fully paid ordinary shares are issued in registered form and may be freely transferred under our amended and restated articles of association, unless the transfer is restricted or prohibited by another instrument, applicable law or the rules of a stock exchange on which the shares are listed for trade. The ownership or voting of our ordinary shares by non-residents of Israel is not restricted in any way by our amended and restated articles of association or the laws of the State of Israel, except for ownership by nationals of some countries that are, or have been, in a state of war with Israel.

Election of Directors

Under our amended and restated articles of association, our board of directors must consist of not less than 5 but no more than 11 directors. Pursuant to our amended and restated articles of association, each of our directors will appointed by a simple majority vote of holders of our voting shares, participating and voting at an annual general meeting of our shareholders. In addition, our directors are divided into three classes, one class being elected each year at the annual general meeting of our shareholders, and serve on our board of directors until they are removed by a vote of 60% of the total voting power of our shareholders at a general meeting of our shareholders or upon the occurrence of certain events, in accordance with the Israeli Companies Law – 1999 (the "Companies Law"), and our amended and restated articles of association. In addition, our amended and restated articles of association allow our board of directors to fill vacancies on the board of directors or to appoint new directors up to the maximum number of directors permitted under our amended and restated articles of association. Such directors serve for a term of office equal to the remaining period of the term of office of the directors(s) whose office(s) have been vacated or in the case of new directors, for a term of office according to the class to which such director was assigned upon appointment.

Dividend and Liquidation Rights

We may declare a dividend to be paid to the holders of our ordinary shares in proportion to their respective shareholdings. Under the Companies Law, dividend distributions are determined by the board of directors and do not require the approval of the shareholders of a company unless the company's articles of association provide otherwise. Our amended and restated articles of association do not require shareholder approval of a dividend distribution and provide that dividend distributions may be determined by our board of directors.

Pursuant to the Israeli Companies Law, the distribution amount is limited to the greater of retained earnings or earnings generated over the previous two years, according to our then last reviewed or audited financial statements, provided that the end of the period to which the financial statements relate is not more than six months prior to the date of the distribution. If we do not meet such criteria, then we may distribute dividends only with court approval; as a company listed on an exchange outside of Israel, however, court approval is not required if the proposed distribution is in the form of an equity repurchase, provided that we notify our creditors of the proposed equity repurchase and allow such creditors an opportunity to initiate a court proceeding to review the repurchase. If within 30 days such creditors do not file an objection, then we may proceed with the repurchase without obtaining court approval. In each case, we are only permitted to distribute a dividend if our board of directors and the court, if applicable, determines that there is no reasonable concern that payment of the dividend will prevent us from satisfying our existing and foreseeable obligations as they become due.

In the event of our liquidation, after satisfaction of liabilities to creditors, our assets will be distributed to the holders of our ordinary shares in proportion to their shareholdings. This right, as well as the right to receive dividends, may be affected by the grant of preferential dividend or distribution rights to the holders of a class of shares with preferential rights that may be authorized in the future.

Exchange Controls

There are currently no Israeli currency control restrictions on remittances of dividends on our ordinary shares, proceeds from the sale of the shares or interest or other payments to non-residents of Israel, except for shareholders who are subjects of countries that are, or have been, in a state of war with Israel.

Shareholder Meetings

Under Israeli law, we are required to hold an annual general meeting of our shareholders once every calendar year that must be held no later than 15 months after the date of the previous annual general meeting. All meetings other than the annual general meeting of shareholders are referred to in our amended and restated articles of association as special general meetings. Our board of directors may call special general meetings whenever it sees fit, at such time and place, within or outside of Israel, as it may determine. In addition, the Companies Law provides that our board of directors is required to convene a special general meeting upon the written request of (i) any two or more of our directors or one-quarter or more of the members of our board of directors or (ii) as a company listed on an exchange in the U.S., one or more shareholders holding, in the aggregate, either (a) 10% or more of our outstanding issued shares and 1% or more of our outstanding voting power or (b) 10% or more of our outstanding voting power.

Subject to the provisions of the Companies Law and the regulations promulgated thereunder, shareholders entitled to participate and vote at general meetings are the shareholders of record on a date to be decided by the board of directors, which may generally be between four and 21 days prior to the date of the meeting, and in certain circumstances, between four and 60 days prior to the date of the meeting. Furthermore, the Companies Law requires that resolutions regarding the following matters must be passed at a general meeting of our shareholders:

- amendments to our articles of association;
- appointment or termination of our auditors;
- appointment of external directors;
- approval of certain related party transactions;
- increases or reductions of our authorized share capital;
- a merger; and
- the exercise of our board of director's powers by a general meeting, if our board of directors is unable to exercise its powers and the exercise of any of its powers is required for our proper management.

The Companies Law requires that a notice of any annual general meeting or special general meeting be provided to shareholders at least 21 days prior to the meeting and if the agenda of the meeting includes the appointment or removal of directors, the approval of transactions with office holders or interested or related parties, or an approval of a merger, notice must be provided at least 35 days prior to the meeting. Under the Companies Law and our amended and restated articles of association, shareholders are not permitted to take action by way of written consent in lieu of a meeting.

Voting Rights

Quorum

Pursuant to our amended and restated articles of association, holders of our ordinary shares have one vote for each ordinary share held on all matters submitted to a vote before the shareholders at a general meeting. The quorum required for our general meetings of shareholders consists of one or more shareholders present in person, by proxy or written ballot who hold or represent between them at least 33 1/3% of the total outstanding voting rights. A meeting adjourned for lack of a quorum shall be adjourned either to the same day in the next week, at the same time and place, to such day and at such time and place as indicated in the notice to such meeting, or to such day and at such time and place as the chairperson of the meeting shall determine. At the reconvened meeting, one or more shareholders present in person, by proxy or written ballot who hold or represent between them at least 33 1/3% of the total outstanding voting rights shall constitute a quorum.

Vote Requirements

Our amended and restated articles of association provide that all resolutions of our shareholders require a simple majority vote, unless otherwise required by the Companies Law or by our amended and restated articles of association. Under the Companies Law, each of (i) the approval of an extraordinary transaction with a controlling shareholder, (ii) the terms of employment or other engagement of the controlling shareholder of the company or such controlling shareholder's relative (even if such terms are not extraordinary) requires the approval under "Management–Fiduciary duties and approval of specified related party transactions under Israeli law" and (iii) approval of certain compensation-related matters require the approval described in the final prospectus filed with our Form F-1 Registration Statement (No. 333-232302) on June 28, 2019 under "Management–Compensation Committee." Under our amended and restated articles of association, the alteration of the rights, privileges, preferences or obligations of any class of our shares requires a simple majority of the class so affected (or such other percentage of the relevant class that may be set forth in the governing documents relevant to such class), in addition to the ordinary majority vote of all classes of shares voting together as a single class at a shareholder meeting. Our amended and restated articles of association also provide that the removal of any director from office or the amendment of the provisions relating to our staggered board requires the vote of 60% of the total voting power of our shareholders. Another exception to the simple majority vote requirement is a resolution for the voluntary winding up, or an approval of a scheme of arrangement or reorganization, of the company pursuant to Section 350 of the Companies Law, which requires the approval of holders of 75% of the voting rights represented at the meeting and voting on the resolution.

In addition, pursuant to our amended and restated articles of association,, in order to approve any amendment to our amended and restated articles of association, in addition and prior to the approval of a general meeting of shareholders, the approval of the board of directors with the affirmative vote of a majority of the directors then in office and entitled to vote thereon is required.

Access to Corporate Records

Under the Companies Law, all shareholders generally have the right to review minutes of our general meetings, our shareholder register, including with respect to material shareholders, our articles of association, our financial statements, other documents as provided in the Companies Law, and any document we are required by law to file publicly with the Israeli Companies Registrar or the Israeli Securities Authority. Any shareholder who specifies the purpose of its request may request to review any document in our possession that relates to any action or transaction with a related party which requires shareholder approval under the Companies Law. We may deny a request to review a document if we determine that the request was not made in good faith, that the document contains a commercial secret or a patent or that the document's disclosure may otherwise impair our interests.

Acquisitions under Israeli Law

Full Tender Offer

A person wishing to acquire shares of a public Israeli company and who would as a result hold over 90% of the target company's issued and outstanding share capital or that of a certain class of shares is required by the Companies Law to make a tender offer to all of the company's shareholders or the shareholders who hold shares of the same class for the purchase of all of the issued and outstanding shares of the company or of the same class, as applicable.

If the shareholders who do not respond to or accept the offer hold less than 5% of the issued and outstanding share capital of the company or of the applicable class of the shares, all of the shares that the acquirer offered to purchase will be transferred to the acquirer by operation of law (provided that a majority of the offerees that do not have a personal interest in such tender offer shall have approved it, which condition shall not apply if offerees holding less than 2% of the company's issued and outstanding share capital failed to approve such tender offer).

Upon a successful completion of such a full tender offer, any shareholder that was an offeree in such tender offer, whether the shareholder accepted the tender offer or not, may, within six months from the date of acceptance of the tender offer, petition the Israeli court to determine whether the tender offer was for less than fair value and that the fair value should be paid as determined by the court unless the acquirer stipulated that a shareholder that accepts the offer may not seek appraisal rights. If the shareholders who did not respond or accept the tender offer hold at least 5% of the issued and outstanding share capital of the company or of the applicable class, or the shareholders who did not accept the tender offer hold 2% or more of the issued and outstanding share capital of the company (or of the applicable class), the acquirer may not acquire shares of the company that will increase its holdings to more than 90% of the company's issued and outstanding share capital or of the applicable class from shareholders who accepted the tender offer.

Special Tender Offer

The Companies Law provides that an acquisition of shares of a public Israeli company must be made by means of a special tender offer if as a result of the acquisition the purchaser would become a holder of at least 25% of the voting rights in the company. This rule does not apply if there is already another holder of at least 25% of the voting rights in the company. Similarly, the Companies Law provides that an acquisition of shares in a public company must be made by means of a tender offer if as a result of the acquisition the purchaser would become a holder of more than 45% of the voting rights in the company, if there is no other shareholder of the company who holds more than 45% of the voting rights in the company.

These requirements do not apply if the acquisition (i) occurs in the context of a private placement, provided that the general meeting approved the acquisition as a private offering whose purpose is to give the acquirer at least 25% of the voting rights in the company if there is no person who holds at least 25% of the voting rights in the company, or as a private offering whose purpose is to give the acquirer 45% of the voting rights in the company, if there is no person who holds 45% of the voting rights in the company, (ii) was from a shareholder holding at least 25% of the voting rights in the company and resulted in the acquirer becoming a holder of at least 25% of the voting rights in the company, or (iii) was from a holder of more than 45% of the voting rights in the company and resulted in the acquirer becoming a holder of more than 45% of the voting rights in the company.

The special tender offer may be consummated only if (i) at least 5% of the voting power attached to the company's outstanding shares will be acquired by the offeror and (ii) the special tender offer is accepted by a majority of the votes of those offerees who gave notice of their position in respect of the offer, excluding the votes of a holder of control in the offeror, a person who has personal interest in acceptance of the special tender offer, holders of 25% or more of the voting rights in the company or anyone on their behalf, including their relatives and entities controlled by them.

In the event that a special tender offer is made, a company's board of directors is required to express its opinion on the advisability of the offer, or shall abstain from expressing any opinion if it is unable to do so, provided that it gives the reasons for its abstention. In addition, the board of directors must disclose any personal interest each member of the board of directors has in the offer or stems therefrom. An office holder in a target company who, in his or her capacity as an office holder, performs an action the purpose of which is to cause the failure of an existing or foreseeable special tender offer or is to impair the chances of its acceptance, is liable to the potential purchaser and shareholders for damages resulting from his or her acts, unless such office holder acted in good faith and had reasonable grounds to believe he or she was acting for the benefit of the company. However, office holders of the target company may negotiate with the potential purchaser in order to improve the terms of the special tender offer, and may further negotiate with third parties in order to obtain a competing offer.

If a special tender offer was accepted by a majority of the shareholders who announced their stand on such offer, then shareholders who did not respond to the special tender offer or had objected to the offer may accept the offer within four days of the last day set for the acceptance of the offer.

In the event that a special tender offer is accepted, then the purchaser or any person or entity controlling it or under common control with the purchaser or such controlling person or entity shall refrain from making a subsequent tender offer for the purchase of shares of the target company and cannot execute a merger with the target company for a period of one year from the date of the offer, unless the purchaser or such person or entity undertook to effect such an offer or merger in the initial special tender offer.

Merger

The Companies Law permits merger transactions if approved by each party's board of directors and, unless certain requirements described under the Companies Law are met, a majority of each party's shareholders and, in the case of the target company, a majority vote of each class of its shares, voted on the proposed merger at a shareholders meeting. The board of directors of a merging company is required pursuant to the Companies Law to discuss and determine whether in its opinion there exists a reasonable concern that as a result of a proposed merger, the surviving company will not be able to satisfy its obligations towards its creditors, such determination taking into account the financial status of the merging companies. If the board of directors has determined that such a concern exists, it may not approve a proposed merger. Following the approval of the board of directors of each of the merging companies, the boards of directors must jointly prepare a merger proposal for submission to the Israeli Registrar of Companies.

For purposes of the shareholder vote, unless a court rules otherwise, the merger will not be deemed approved if a majority of the shares represented at the shareholders meeting that are held by parties other than the other party to the merger, or by any person who holds 25% or more of the outstanding shares or the right to appoint 25% or more of the directors of the other party, vote against the merger. In addition, if the non-surviving entity of the merger has more than one class of shares, the merger must be approved by each class of shareholders. If the transaction would have been approved but for the separate approval of each class or the exclusion of the votes of certain shareholders as provided above, a court may still approve the merger upon the request of holders of at least 25% of the voting rights of a company, if the court holds that the merger is fair and reasonable, taking into account the value of the parties to the merger and the consideration offered to the shareholders. Pursuant to the Companies Law, if a merger is with a company's controlling shareholder or if the controlling shareholder has a personal interest in the merger, then the merger is instead subject to the same special majority approval that governs all extraordinary transactions with controlling shareholders (as described in our final prospectus filed with our Form F-1 Registration Statement (No. 333-232302) on June 28, 2019 under "Management–Fiduciary duties and approval of specified related party transactions under Israeli law.").

Under the Companies Law, each merging company must send a copy of the proposed merger plan to its secured creditors. Unsecured creditors are entitled to receive notice of the merger pursuant to regulations promulgated under the Companies Law. Upon the request of a creditor of either party to the proposed merger, the court may delay or prevent the merger if it concludes that there exists a reasonable concern that, as a result of the merger, the surviving company will be unable to satisfy the obligations the target company. The court may further give instructions to secure the rights of creditors.

In addition, a merger may not be completed unless at least 50 days have passed from the date that a proposal for approval of the merger was filed with the Israeli Registrar of Companies and 30 days from the date that shareholder approval of both merging companies was obtained.

Anti-Takeover Measures

The Companies Law allows us to create and issue shares having rights different from those attached to our ordinary shares, including shares providing certain preferred rights with respect to voting, distributions or other matters and shares having preemptive rights. We have no preferred shares authorized under our amended and restated articles of association. In the future, if we do authorize, create and issue a specific class of preferred shares, such class of shares, depending on the specific rights that may be attached to it, may have the ability to frustrate or prevent a takeover or otherwise prevent our shareholders from realizing a potential premium over the market value of their ordinary shares. The authorization and designation of a class of preferred shares will require an amendment to our amended and restated articles of association, which requires the prior approval of the holders of a majority of the voting power attaching to our issued and outstanding shares at a general meeting. The convening of the meeting, the shareholders entitled to participate and the majority vote required to be obtained at such a meeting will be subject to the requirements set forth in the Companies Law as described above in "–Voting Rights." In addition, as disclosed under "–Election of directors", we have a classified board structure which effectively limits the ability of any investor or potential investor or group of investors or potential investors to gain control of our board of directors.

Significant Transactions

Under our amended and restated articles of association, the affirmative vote of at least two-thirds (2/3) of the then serving directors is required in order to approve certain transactions which may have a significant effect on the Company's structure, assets or business, including mergers and acquisitions, a disposition of all or substantially all of the assets of the Company, a voluntary dissolution and material changes to the principal business of the Company. Any amendment or replacement of such provision is subject, in addition to the approval of the Company's shareholders, to the approval of at least two-thirds (2/3) of the then serving directors.

Business Combinations

Our amended and restated articles of association, restrict certain business transactions for a period of three years following (i) with respect to any shareholder of the Company holding twenty percent (20%) or more of the issued and outstanding voting power of the ordinary shares as of July 27, 2022 (the effective date of the amended and restated articles of association), and (ii) with respect to any other shareholder of the Company, each time as such shareholder (and its affiliates) (other than due to a buyback, redemption or cancellation of shares by the Company) becomes the holder (beneficially or of record) of twenty percent (20%) or more of the issued and outstanding voting power of the ordinary shares. The restricted business combinations include mergers, consolidations and dispositions of assets having a value of 10% or more of (i) the Company's assets or (ii) of the market value of its outstanding shares. Any amendment or replacement of such provision is subject, in addition to the approval of the Company's shareholders, to an approval of at least two-thirds (2/3) of the then serving directors.

Borrowing Powers

Pursuant to the Companies Law and our amended and restated articles of association, our board of directors may exercise all powers and take all actions that are not required under law or under our amended and restated articles of association to be exercised or taken by our shareholders, including the power to borrow money for company purposes.

Changes in Capital

Our amended and restated articles of association enable us to increase or reduce our share capital. Any such changes are subject to the Companies Law and must be approved by a resolution duly passed by our shareholders at a general meeting by voting on such change in the capital. In addition, transactions that have the effect of reducing capital, such as the declaration and payment of dividends in the absence of sufficient retained earnings or profits, require the approval of both our board of directors and an Israeli court.

Transfer Agent and Registrar

The transfer agent and registrar for our ordinary shares is Broadridge Corporate Issuer Solutions, Inc. Its address is 1717 Arch Street, Suite 1300, Philadelphia, Pennsylvania 19103, and its telephone number is (215) 553-5400.

Listing

Our ordinary shares are listed on The Nasdaq Global Market under the symbol "GMDA."

GAMIDA CELL LTD.
2017 SHARE INCENTIVE PLANR
(as amended and restated November 17, 2021)

Unless otherwise defined, terms used herein shall have the meaning ascribed to them in Section 2 hereof.

1. PURPOSE; TYPES OF AWARDS; CONSTRUCTION.

1.1. Purpose. The purpose of this 2017 Share Incentive Plan (as amended, this "Plan") is to afford an incentive to Service Providers of Gamida Cell Ltd., an Israeli company(together with any successor corporation thereto, the "Company"), or any Affiliate of the Company, which now exists or hereafter is organized or acquired by the Company or its Affiliates, to continue as Service Providers, to increase their efforts on behalf of the Company or its Affiliates and to promote the success of the Company's business, by providing such Service Providers with opportunities to acquire a proprietary interest in the Company by the issuance of Shares or restricted Shares ("Restricted Shares") of the Company, and by the grant of options to purchase Shares ("Options"), Restricted Shares Units ("RSUs") and other Share-based Awards pursuant to Sections 11 through 13 of this Plan.

1.2. Types of Awards. This Plan is intended to enable the Company to issue Awards under various tax regimes, including:

(i) pursuant and subject to the provisions of Section 102 of the Ordinance (or the corresponding provision of any subsequently enacted statute, as amended from time to time), and all regulations and interpretations adopted by any competent authority, including the Israel Tax Authority (the "ITA"), including the Income Tax Rules (Tax Benefits in Stock Issuance to Employees) 5763-2003 or such other rules so adopted from time to time (the "Rules") (such Awards that are intended to be (as set forth in the Award Agreement) and which qualify as such under Section 102 of the Ordinance and the Rules, "102 Awards");

(ii) pursuant to Section 3(i) of the Ordinance or the corresponding provision of any subsequently enacted statute, as amended from time to time (such Awards, "3(i) Awards");

(iii) Incentive Stock Options within the meaning of Section 422 of the Code, or the corresponding provision of any subsequently enacted United States federal tax statute, as amended from time to time, to be granted to Employees who are deemed to be residents of the United States, for purposes of taxation, or are otherwise subject to U.S. Federal income tax (such Awards that are intended to be (as set forth in the Award Agreement) and which qualify as an incentive stock option within the meaning of Section 422(b) of the Code, "Incentive Stock Options"); and

(iv) Awards not intended to be (as set forth in the Award Agreement) or which do not qualify as an Incentive Stock Option ("Nonqualified Stock Options").

In addition to the issuance of Awards under the relevant tax regimes in the United States of America and the State of Israel, and without derogating from the generality of Section 25, this Plan contemplates issuances to Grantees in other jurisdictions or under other tax regimes with respect to which the Committee is empowered, but is not required, to make the requisite adjustments in this Plan and set forth the relevant conditions in an appendix to this Plan or in the Company's agreement with the Grantee in order to comply with the requirements of such other tax regimes.

1.3. Company Status. This Plan contemplates the issuance of Awards by the Company, both as a private and public company.

1.4. Construction. To the extent any provision herein conflicts with the conditions of any relevant tax law, rule or regulation which are relied upon for tax relief in respect of a particular Award to a Grantee, the Committee is empowered, but is not required, hereunder to determine that the provisions of such law, rule or regulation shall prevail over those of this Plan and to interpret and enforce such prevailing provisions. With respect to 102 Awards, if and to the extent any action or the exercise or application of any provision hereof or authority granted hereby is conditioned or subject to obtaining a ruling or tax determination from the ITA, to the extent required by applicable law, then the taking of any such action or the exercise or application of such section or authority with respect to 102 Awards shall be conditioned upon obtaining such ruling or tax determination, and, if obtained, shall be subject to any condition set forth therein; it being clarified that there is no obligation to apply for any such ruling or tax determination (which shall be in the sole discretion of the Committee) and no assurance is made that if applied any such ruling or tax determination will be obtained (or the conditions thereof).

2. DEFINITIONS.

2.1. Terms Generally. Except when otherwise indicated by the context, (i) the singular shall include the plural and the plural shall include the singular; (ii) any pronoun shall include the corresponding masculine, feminine and neuter forms; (iii) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth therein or herein), (iv) references to any law, constitution, statute, treaty, regulation, rule or ordinance, including any section or other part thereof shall refer to it as amended from time to time and shall include any successor thereof, (v) reference to a "company" or "entity" shall include a, partnership, corporation, limited liability company, association, trust, unincorporated organization, or a government or agency or political subdivision thereof, and reference to a "person" shall mean any of the foregoing or an individual, (vi) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Plan in its entirety, and not to any particular provision hereof, (vii) all references herein to Sections shall be construed to refer to Sections to this Plan; (viii) the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation"; and (ix) use of the term "or" is not intended to be exclusive.

2.2. Defined Terms. The following terms shall have the meanings ascribed to them in this Section 2:

2.3. "Affiliate" shall mean, (i) with respect to any person, any other person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such person (with the term "control" or "controlled by" within the meaning of Rule 405 of Regulation C under the Securities Act), including, without limitation, any Parent or Subsidiary, or (ii) Employer.

2.4. "Applicable Law" shall mean any applicable law, rule, regulation, statute, pronouncement, policy, interpretation, judgment, order or decree of any federal, provincial, state or local governmental, regulatory or adjudicative authority or agency, of any jurisdiction, and the rules and regulations of any stock exchange, over-the-counter market or trading system on which the Company's shares are then traded or listed.

2.5. "Award" shall mean any Option, Restricted Share, RSUs or any other Share-based award granted under this Plan.

2.6. "Board" shall mean the Board of Directors of the Company.

2.7. Reserved.

2.8. "Code" shall mean the United States Internal Revenue Code of 1986, and any applicable regulations promulgated thereunder, all as amended.

2.9. "Committee" shall mean a committee established or appointed by the Board to administer this Plan, subject to Section 3.1. To the extent required to comply with the provisions of Rule 16b-3 of the Exchange Act, it is intended that each member of the Committee will be, at the time the Committee takes any action with respect to an Award that is subject to Rule 16b-3 of the Exchange Act, a "non-employee director" within the meaning of Rule 16b-3 of the Exchange Act; however, a Committee member's failure to qualify as a "non-employee director" within the meaning of Rule 16b-3 of the Exchange Act will not invalidate any Award granted by the Committee that is otherwise validly granted under the Plan.

2.10. "Companies Law" shall mean the Israel Companies Law, 5759-1999, and the regulations promulgated thereunder, all as amended from time to time.

2.11. "Controlling Shareholder" shall have the meaning set forth in Section 32(9) of the Ordinance.

2.12. "Disability" shall mean (i) the inability of a Grantee to engage in any substantial gainful activity or to perform the major duties of the Grantee's position with the Company or its Affiliates by reason of any medically determinable physical or mental impairment which has lasted or can be expected to last for a continuous period of not less than 12 months (or such other period as determined by the Committee), as determined by a qualified doctor acceptable to the Company, (ii) if applicable, a "permanent and total disability" as defined in Section 22(e)(3) of the Code or Section 409A(a)(2)(c)(i) of the Code, as amended from time to time, or (iii) as defined in a policy of the Company that the Committee deems applicable to this Plan, or that makes reference to this Plan, for purposes of this definition.

2.13. "Employee" shall mean any person treated as an employee (including an officer or a director who is also treated as an employee) in the records of the Company or any of its Affiliates (and in the case of 102 Awards, subject to Section 9.3 or in the case of Incentive Stock Options, who is an employee for purposes of Section 422 of the Code); provided, however, that neither service as a director nor payment of a director's fee shall be sufficient to constitute employment for purposes of this Plan. The Company shall determine in good faith and in the exercise of its discretion whether an individual has become or has ceased to be an Employee and the effective date of such individual's employment or termination of employment, as the case may be. For purposes of a person's rights, if any, under this Plan as of the time of the Company's determination, all such determinations by the Company shall be final, binding and conclusive, notwithstanding that the Company or any court of law or governmental agency subsequently makes a contrary determination.

2.14. "Employer" means, for purpose of a 102 Trustee Award, the Company or an Affiliate, Subsidiary or Parent thereof, which is an "employing company" within the meaning and subject to the conditions of Section 102(a) of the Ordinance.

2.15. "employment", "employed" and words of similar import shall be deemed to refer to the employment of Employees or to the services of any other Service Provider, as the case may be.

2.16. "Exchange Act" shall mean the U.S. Securities Exchange Act of 1934, as amended, and all regulations, guidance and other interpretative authority issued thereunder.

2.17. "exercise", "exercised" and words of similar import, when referring to an Award that does not require exercise or that is settled upon vesting (such as may be the case with RSUs or Restricted Shares, if so determined in their terms), shall be deemed to refer to the vesting of such an Award (regardless of whether or not the wording included reference to vesting of such an Awards explicitly).

2.18. "Exercise Period" shall mean the period, commencing on the date of grant of an Award, during which an Award shall be exercisable, subject to any vesting provisions thereof (including any acceleration thereof, if any) and subject to the termination provisions hereof.

2.19. "Exercise Price" shall mean the exercise price for each Share covered by an Option or the purchase price for each Share covered by any other Award.

2.20. "Fair Market Value" shall mean, as of any date, the value of a Share or other securities, property or rights as determined by the Board, in its discretion, subject to the following: (i) if, on such date, the Shares are listed on any securities exchange, the closing sales price per Share on which the Shares are principally traded on such date, or if no sale occurred on such date, the last day preceding such date during which a sale occurred, as reported in The Wall Street Journal or such other source as the Company deems reliable; (ii) if, on such date, the Shares are then quoted in an over-the-counter market, the average of the closing bid and asked prices for the Shares in that market on such date, or if there are no bid and asked prices on such date, the last day preceding such date on which there are bid and asked prices, as reported in The Wall Street Journal or such other source as the Company deems reliable; or (iii) if, on such date, the Shares are not then listed on a securities exchange or quoted in an over-the-counter market, or in case of any other securities, property or rights, such value as the Committee, in its sole discretion, shall determine, with full authority to determine the method for making such determination and which determination shall be conclusive and binding on all parties, and shall be made after such consultations with outside legal, accounting and other experts as the Committee may deem advisable; provided, however, that, if applicable, the Fair Market Value of the Shares shall be determined in a manner that is intended to satisfy the applicable requirements of and subject to Section 409A of the Code, and with respect to Incentive Stock Options, in a manner that is intended to satisfy the applicable requirements of and subject to Section 422 of the Code, subject to Section 422(c)(7) of the Code. The Committee shall maintain a written record of its method of determining such value. If the Shares are listed or quoted on more than one established stock exchange or over-the-counter market, the Committee shall determine the principal such exchange or market and utilize the price of the Shares on that exchange or market (determined as per the method described in clauses (i) or (ii) above, as applicable) for the purpose of determining Fair Market Value.

2.21. "Grantee" shall mean a person who has been granted an Award(s) under this Plan.

2.22. "Ordinance" shall mean the Israeli Income Tax Ordinance (New Version) 5271-1961, and the regulations and rules (including the Rules) promulgated thereunder, all as amended from time to time.

2.23. "Parent" shall mean any company (other than the Company), which now exists or is hereafter organized, (i) in an unbroken chain of companies ending with the Company if, at the time of granting an Award, each of the companies (other than the Company) owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other companies in such chain, or (ii) if applicable and for purposes of Incentive Stock Options, that is a "parent corporation" of the Company, as defined in Section 424(e) of the Code.

2.24. "Retirement" shall mean a Grantee's retirement pursuant to Applicable Law or in accordance with the terms of any tax-qualified retirement plan maintained by the Company or any of its Affiliates in which the Grantee participates or is subject to.

2.25. "Securities Act" shall mean the U.S. Securities Act of 1933, and the rules and regulations promulgated thereunder, all as amended from time to time.

2.26. "Service Provider" shall mean an Employee, director, officer, consultant, advisor and any other person or entity who provides services to the Company or any Parent, Subsidiary or other Affiliate thereof. Service Providers shall include prospective Service Providers to whom Awards are granted in connection with written offers of an employment or other service relationship with the Company or any Parent, Subsidiary or any other Affiliates thereof, provided, however, that such employment or service shall have actually commenced. Notwithstanding the foregoing, unless otherwise determined by the Committee, each Service Provider shall be an "employee" as defined in the General Instructions to Form S-8 Registration Statement under the Securities Act (or any successor form thereto).

2.27. "Share(s)" shall mean Ordinary Share(s), nominal value NIS 0.01 each, of the Company (as adjusted for stock split, reverse stock split, bonus shares, combination or other recapitalization events), or shares of such other class of shares of the Company as shall be designated by the Board in respect of the relevant Award(s). "Shares" include any securities or property issued or distributed with respect thereto.

2.28. "Subsidiary" shall mean any company (other than the Company), which now exists or is hereafter organized or acquired by the Company, (i) in an unbroken chain of companies beginning with the Company if, at the time of granting an Award, each of the companies other than the last company in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other companies in such chain, or (ii) if applicable and for purposes of Incentive Stock Options, that is a "subsidiary corporation" of the Company, as defined in Section 424(f) of the Code.

2.29. "tax(es)" shall mean (a) all federal, state, local or foreign taxes, charges, fees, imposts, levies or other assessments, including all income, capital gains, alternative or add-on minimum, transfer, value added tax, real and personal property, withholding, payroll, employment, escheat, social security, disability, national security, health tax, wealth surtax, stamp, registration and estimated taxes, customs duties, fees, assessments and charges of any similar kind whatsoever (including under Section 280G of the Code) or other tax of any kind whatsoever, (b) all interest, indexation differentials, penalties, fines, additions to tax or additional amounts imposed by any taxing authority in connection with any item described in clause (a), (c) any transferee or successor liability in respect of any items described in clauses (a) or (b) payable by reason of contract, assumption, transferee liability, successor liability, operation of Applicable Law, or as a result of any express or implied obligation to assume Taxes or to indemnify any other person, and (d) any liability for the payment of any amounts of the type described in clause (a) or (b) payable as a result of being a member of an affiliated, consolidated, combined, unitary or aggregate or other group for any taxable period, including under U.S. Treasury Regulations Section 1.1502-6(a) (or any predecessor or successor thereof of any analogous or similar provision under Applicable Law) or otherwise.

2.30. "Ten Percent Shareholder" shall mean a Grantee who, at the time an Award is granted to the Grantee, owns shares possessing more than ten percent (10%) of the total combined voting power of all classes of shares of the Company or any Parent or Subsidiary, within the meaning of Section 422(b)(6) of the Code.

2.31. "Trustee" shall mean the trustee appointed by the Committee to hold the Awards (and, in relation with 102 Trustee Awards, approved by the ITA), if so appointed.

2.32. Other Defined Terms. The following terms shall have the meanings ascribed to them in the Sections set forth below:

Term	Section
102 Awards	1.2(i)
102 Capital Gains Track Awards	9.1
102 Non-Trustee Awards	9.2
102 Ordinary Income Track Awards	9.1
102 Trustee Awards	9.1
3(i) Awards	1.2(ii)
Award Agreement	6
Cause	6.6.4.4
Company	1.1
Effective Date	24.1
Election	9.2
Eligible 102 Grantees	9.3.1
Incentive Stock Options	1.2(iii)
Information	16.4
ITA	1.1(i)
Market Stand-Off	17.1
Market Stand-Off Period	17.1
Merger/Sale	14.2
Nonqualified Stock Options	1.2(iv)
Plan	1.1
Pool	5.1
Recapitalization	14.1
Required Holding Period	9.5
Restricted Period	11.2
Restricted Share Agreement	11
Restricted Share Unit Agreement	12
Restricted Share	1.1
RSUs	1.1
Rules	1.1(i)
Securities	17.1
Successor Corporation	14.2.1
Withholding Obligations	18.5

3. ADMINISTRATION.

3.1. To the extent permitted under Applicable Law, the Company's Articles of Association and any other governing document of the Company, this Plan shall be administered by the Committee. In the event that the Board does not appoint or establish a committee to administer this Plan, this Plan shall be administered by the Board and, accordingly, any and all references herein to the Committee shall be construed as references to the Board. In the event that an action necessary for the administration of this Plan is required under Applicable Law to be taken by the Board without the right of delegation, or if such action or power was explicitly reserved by the Board in appointing, establishing and empowering the Committee, then such action shall be so taken by the Board. In any such event, all references herein to the Committee shall be construed as references to the Board. Even if such a Committee was appointed or established, the Board may take any actions that are stated to be vested in the Committee, and shall not be restricted or limited from exercising all rights, powers and authorities under this Plan or Applicable Law.

3.2. The Board shall appoint the members of the Committee, may from time to time remove members from, or add members to, the Committee, and shall fill vacancies in the Committee, however caused, provided that the composition of the Committee shall at all times be in compliance with any mandatory requirements of Applicable Law, the Articles of Association and any other governing document of the Company. The Committee may select one of its members as its Chairman and shall hold its meetings at such times and places as it shall determine. The Committee may appoint a Secretary, who shall keep records of its meetings, and shall make such rules and regulations for the conduct of its business as it shall deem advisable and subject to mandatory requirements of Applicable Law.

3.3. Subject to the terms and conditions of this Plan, any mandatory provisions of Applicable Law and any provisions of any Company policy required under mandatory provisions of Applicable Law, and in addition to the Committee's powers contained elsewhere in this Plan, the Committee shall have full authority, in its discretion, from time to time and at any time, to determine any of the following, or to recommend to the Board any of the following if it is not authorized to take such action according to Applicable Law:

(i) eligible Grantees,

(ii) grants of Awards and setting the terms and provisions of Award Agreements (which need not be identical) and any other agreements or instruments under which Awards are made, including, the number of Shares underlying each Award and the class of Shares underlying each Award (if more than one class was designated by the Board),

(iii) the time or times at which Awards shall be granted,

(iv) the terms, conditions and restrictions applicable to each Award (which need not be identical) and any Shares acquired upon the exercise or (if applicable) vesting thereof, including, (1) designating Awards under Section 1.2; (2) the vesting schedule, the acceleration thereof and terms and conditions upon which Awards may be exercised or become vested, (3) the Exercise Price, (4) the method of payment for Shares purchased upon the exercise or (if applicable) vesting of the Awards, (5) the method for satisfaction of any tax withholding obligation arising in connection with the Awards or such Shares, including by the withholding or delivery of Shares, (6) the time of the expiration of the Awards, (7) the effect of the Grantee's termination of employment with the Company or any of its Affiliates, and (8) all other terms, conditions and restrictions applicable to the Award or the Shares not inconsistent with the terms of this Plan,

(v) to accelerate, continue, extend or defer the exercisability of any Award or the vesting thereof, including with respect to the period following a Grantee's termination of employment or other service,

(vi) the interpretation of this Plan and any Award Agreement and the meaning, interpretation and applicability of terms referred to in Applicable Law,

(vii) policies, guidelines, rules and regulations relating to and for carrying out this Plan, and any amendment, supplement or rescission thereof, as it may deem appropriate,

(viii) to adopt supplements to, or alternative versions of, this Plan, including, without limitation, as it deems necessary or desirable to comply with the laws of, or to accommodate the tax regime or custom of, foreign jurisdictions whose citizens or residents may be granted Awards,

(ix) the Fair Market Value of the Shares or other securities property or rights,

(x) the tax track (capital gains, ordinary income track or any other track available under the Section 102 of the Ordinance) for the purpose of 102 Awards,

(xi) the authorization and approval of conversion, substitution, cancellation or suspension under and in accordance with this Plan of any or all Awards or Shares,

(xii) unless otherwise provided under the terms of this Plan, the amendment, modification, waiver or supplement of the terms of any outstanding Award (including reducing the Exercise Price of an Award), provided, however, that if such amendments increase the Exercise Price of an Award or reduce the number of Shared underlying an Award, then such amendments shall require the consent of the applicable Grantee, unless such amendment is made pursuant to the exercise of rights or authorities in accordance with Section 14,

(xiii) without limiting the generality of the foregoing, and subject to the provisions of Applicable Law, to grant to a Grantee, who is the holder of an outstanding Award, in exchange for the cancellation of such Award, a new Award having an Exercise Price lower than that provided in the Award so canceled and containing such other terms and conditions as the Committee may prescribe in accordance with the provisions of this Plan or to set a new Exercise Price for the same Award lower than that previously provided in the Award,

(xiv) to correct any defect, supply any omission or reconcile any inconsistency in this Plan or any Award Agreement and all other determinations and take such other actions with respect to this Plan or any Award as it may deem advisable to the extent not inconsistent with the provisions of this Plan or Applicable Law, and

(xv) any other matter which is necessary or desirable for, or incidental to, the administration of this Plan and any Award thereunder.

3.4. The authority granted hereunder includes the authority to modify Awards to eligible individuals who are foreign nationals or are individuals who are employed outside the State of Israel or the United States of America, to recognize differences in local law, tax policy or custom, in order to effectuate the purposes of this Plan but without amending this Plan.

3.5. The Board and the Committee shall be free at all times to make such determinations and take such actions as they deem fit. The Board and the Committee need not take the same action or determination with respect to all Awards, with respect to certain types of Awards, with respect to all Service Providers or any certain type of Service Providers and actions and determinations may differ as among the Grantees, and as between the Grantees and any other holders of securities of the Company.

3.6. All decisions, determinations, and interpretations of the Committee, the Board and the Company under this Plan shall be final and binding on all Grantees (whether before or after the issuance of Shares pursuant to Awards), unless otherwise determined by the Committee, the Board or the Company, respectively. The Committee shall have the authority (but not the obligation) to determine the interpretation and applicability of Applicable Law to any Grantee or any Awards. No member of the Committee or the Board shall be liable to any Grantee for any action taken or determination made in good faith with respect to this Plan or any Award granted hereunder.

3.7. Any officer or authorized signatory of the Company shall have the authority to act on behalf of the Company with respect to any matter, right, obligation, determination or election which is the responsibility of or which is allocated to the Company herein, provided such person has apparent authority with respect to such matter, right, obligation, determination or election. Such person or authorized signatory shall not be liable to any Grantee for any action taken or determination made in good faith with respect to this Plan or any Award granted hereunder.

4. ELIGIBILITY.

Awards may be granted to Service Providers of the Company or any Affiliate thereof, taking into account, at the Committee's discretion and without an obligation to do so, the qualification under each tax regime pursuant to which such Awards are granted, subject to the limitation on the granting of Incentive Stock Options set forth in Section 8.1. A person who has been granted an Award hereunder may be granted additional Awards, if the Committee shall so determine, subject to the limitations herein. However, eligibility in accordance with this Section 4 shall not entitle any person to be granted an Award, or, having been granted an Award, to be granted an additional Award.

Awards may differ in number of Shares covered thereby, the terms and conditions applying to them or on the Grantees or in any other respect (including, that there should not be any expectation (and it is hereby disclaimed) that a certain treatment, interpretation or position granted to one shall be applied to the other, regardless of whether or not the facts or circumstances are the same or similar).

5. SHARES.

5.1. The maximum aggregate number of Shares that may be issued pursuant to Awards under this Plan (the "Pool") shall be the sum of (a) 4,862,994 Shares plus (and without the need to further amend the Plan) (b) on January 1st, 2021 and on January 1st of each calendar year thereafter during the term of the Plan (i.e., until January 1st, 2027, inclusive), a number of Shares equal to the lesser of: (i) four percent (4.0%) of the total number of Shares outstanding as of the end of the last day of the immediately preceding year, and (ii) such smaller amount of Shares as is determined by the Board, if so determined prior to the January 1st of the calendar year in which the increase will occur (in each case, without the need to amend the Plan in case of such determination); in all events subject to adjustment as provided in Section 14.1. Notwithstanding the foregoing, the total number of Shares that may be issued pursuant to Incentive Stock Options granted under this Plan shall be 16,983,585 subject to adjustment as provided in Section 14.1. The Board may, at its discretion, reduce the number of Shares that may be issued pursuant to Awards under this Plan, at any time (provided that such reduction does not derogate from any issuance of Shares in respect of Awards then outstanding).

5.2. Any Shares (a) underlying an Award granted hereunder that has expired, or was cancelled, terminated, forfeited, or settled in cash in lieu of issuance of Shares, for any reason, without having been exercised; (b) if permitted by the Company, tendered to pay the Exercise Price of an Award or withholding tax obligations with respect to an Award; or (c) if permitted by the Company, subject to an Award that are not delivered to a Grantee because such Shares are withheld to pay the Exercise Price of such Award, or withholding tax obligations with respect to such Award; shall automatically, and without any further action on the part of the Company or any Grantee, again be available for grant of Awards and for issuance upon exercise or (if applicable) vesting thereof for the purposes of this Plan (unless this Plan shall have been terminated), unless the Board determines otherwise. Such Shares may be, in whole or in part, authorized but unissued Shares, (and, subject to obtaining a ruling as it applies to 102 Awards) treasury shares (dormant shares) or otherwise Shares that shall have been or may be repurchased by the Company (to the extent permitted pursuant to the Companies Law).

5.3. Any Shares under the Pool that are not subject to outstanding or exercised Awards at the termination of this Plan shall cease to be reserved for the purpose of this Plan.

5.4. From and after the Effective Date, no further grants or awards shall be made under any prior equity incentive plans of the Company; however, Awards made under any prior equity incentive plan of the Company before the Effective Date shall continue in effect in accordance with their terms.

6. TERMS AND CONDITIONS OF AWARDS.

Each Award granted pursuant to this Plan shall be evidenced by a written or electronic agreement between the Company and the Grantee or a written or electronic notice delivered by the Company (the "Award Agreement"), in substantially such form or forms and containing such terms and conditions, as the Committee shall from time to time approve. The Award Agreement shall comply with and be subject to the following general terms and conditions and the provisions of this Plan (except for any provisions applying to Awards under different tax regimes), unless otherwise specifically provided in such Award Agreement, or the terms referred to in other Sections of this Plan applying to Awards under such applicable tax regimes, or terms prescribed by Applicable Law. Award Agreements need not be in the same form and may differ in the terms and conditions included therein.

6.1. Number of Shares. Each Award Agreement shall state the number of Shares covered by the Award.

6.2. Type of Award. Each Award Agreement may state the type of Award granted thereunder, provided that the tax treatment of any Award, whether or not stated in the Award Agreement, shall be as determined in accordance with Applicable Law.

6.3. Exercise Price. Each Award Agreement shall state the Exercise Price, if applicable. Unless otherwise set forth in this Plan, an Exercise Price of an Award of less than the nominal value of the Shares (if shares bear a nominal value) shall comply with Section 304 of the Companies Law. Subject to Sections 3, 7.2 and 8.2 and to the foregoing, the Committee may reduce the Exercise Price of any outstanding Award, on terms and subject to such conditions as it deems advisable. The Exercise Price shall also be subject to adjustment as provided in Section 14 hereof. . The Exercise Price of any Award granted to a Grantee who is subject to U.S. federal income tax shall be determined in accordance with Section 409A of the Code.

6.4. Manner of Exercise.

6.4.1 An Award may be exercised, as to any or all Shares as to which the Award has become exercisable, (a) by written notice delivered in person or by mail (or such other methods of delivery prescribed by the Company) to the Chief Financial Officer of the Company or, if no such officer is then incumbent, to the Chief Executive Officer of the Company or to such other person as determined by the Committee, (b) by way of an exercise order submitted via the online service operated and maintained by the Trustee, or (c) or in any other manner as the Committee shall prescribe from time to time, specifying the number of Shares with respect to which the Award is being exercised (which may be equal to or lower than the aggregate number of Shares that have become exercisable at such time, subject to the last sentence of this Section), accompanied by payment of the aggregate Exercise Price for such Shares in the manner specified in the following sentence. The Exercise Price shall be paid in full with respect to each Share, at the time of exercise, either (i) in cash, (ii) if the Company's shares are listed for trading on any securities exchange or over-the-counter market, and if the Committee so determines, all or part of the Exercise Price and any withholding taxes may be paid by the delivery (on a form prescribed by the Company) of an irrevocable direction to a securities broker approved by the Company to sell Shares and to deliver all or part of the sales proceeds to the Company or the Trustee, (iii) if the Company's shares are listed for trading on any securities exchange or over-the-counter market, and if the Committee so determines, all or part of the Exercise Price and any withholding taxes may be paid by the delivery (on a form prescribed by the Company) of an irrevocable direction to pledge Shares to a securities broker or lender approved by the Company, as security for a loan, and to deliver all or part of the loan proceeds to the Company or the Trustee, (iv) by applying the Cashless Exercise Mechanism set forth in Section 6.4.2 below, or (v) in such other manner as the Committee shall determine, which may include procedures for cashless exercise.

6.4.2 The application of Cashless Exercise Mechanism with respect to (i) any 102 Awards shall be subject to obtaining a ruling from the ITA, to the extent required by Applicable Law, and (ii) any Incentive Stock Options, may result in such Options being treated as Nonqualified Stock Options.

6.4.3 Unless otherwise determined by the Committee, any and all Options may be exercised using a cashless exercise mechanism, in which case the number of the Shares to be issued by the Company upon such exercise shall be calculated pursuant to the following formula (the "Cashless Exercise Mechanism"):

$$X = \frac{Y * (A - B)}{A}$$

Where: X = the number of Shares to be issued to the Grantee.

Y = the number of Shares, as adjusted to the date of such calculation, underlying the number of Options being exercised.

A = the Fair Market Value of one Share at the exercise date.

B = the Exercise Price of the Options being exercised.

Upon the completion of the calculation, if X is a negative number, then X shall be deemed to equal 0 (zero).

6.5. Term and Vesting of Awards.

6.5.1 Each Award Agreement shall provide the vesting schedule for the Award as determined by the Committee. The Committee shall have the authority to determine the vesting schedule and accelerate the vesting of any outstanding Award at such time and under such circumstances as it, in its sole discretion, deems appropriate. Unless otherwise resolved by the Committee and stated in the Award Agreement, and subject to Sections 6.6 and 6.7 hereof, Awards shall vest and become exercisable under the following schedule: twenty-five percent (25%) of the Shares covered by the Award, on the first anniversary of the vesting commencement date determined by the Committee (and in the absence of such determination, of date on which such Award was granted), and six and one-quarter percent (6.25%) of the Shares covered by the Award at the end of each subsequent three-month period thereafter over the course of the following three (3) years; provided that the Grantee remains continuously as a Service Provider of the Company or its Affiliates throughout such vesting dates.

6.5.2 The Award Agreement may contain performance goals and measurements (which, in case of 102 Trustee Awards, may, if then required, be subject to obtaining a specific tax ruling or determination from the ITA), and the provisions with respect to any Award need not be the same as the provisions with respect to any other Award. Such performance goals may include, but are not limited to, sales, earnings before interest and taxes, return on investment, earnings per share, any combination of the foregoing or rate of growth of any of the foregoing, as determined by the Committee. The Committee may adjust performance goals pursuant to Awards previously granted to take into account changes in law and accounting and tax rules and to make such adjustments as the Committee deems necessary or appropriate to reflect the inclusion or the exclusion of the impact of extraordinary or unusual items, events or circumstances.

6.5.3 The Exercise Period of an Award will be ten (10) years from the date of grant of the Award, unless otherwise determined by the Committee and stated in the Award Agreement, but subject to the vesting provisions described above and the early termination provisions set forth in Sections 6.6 and 6.7 hereof. At the expiration of the Exercise Period, any Award, or any part thereof, that has not been exercised within the term of the Award and the Shares covered thereby not paid for in accordance with this Plan and the Award Agreement shall terminate and become null and void, and all interests and rights of the Grantee in and to the same shall expire.

6.6. Termination.

6.6.1 Unless otherwise determined by the Committee, and subject to this Section 6.6 and Section 6.7 hereof, an Award may not be exercised unless the Grantee is then a Service Provider of (i) the Company or an Affiliate thereof or, (ii) in the case of an Incentive Stock Option, of the Company, of a Parent or Subsidiary, or of a company (or a parent or subsidiary company of such company) issuing or assuming an Option of such Grantee in a transaction to which Section 424(a) of the Code applies, and unless the Grantee has remained continuously so employed since the date of grant of the Award and throughout the vesting dates.

6.6.2 In the event that the employment or service of a Grantee shall terminate (other than by reason of death, Disability or Retirement), such that Grantee is no longer a Service Provider of neither the Company nor any Affiliate thereof), all Awards of such Grantee that are unvested at the time of such termination shall terminate on the date of such termination, and all Awards of such Grantee that are vested and exercisable at the time of such termination may be exercised within up to three (3) months after the date of such termination (or such different period as the Committee shall prescribe), but in any event no later than the date of expiration of the Award's term as set forth in the Award Agreement or pursuant to this Plan; provided, however, that if the Company (or its Subsidiary or other Affiliate thereof, as applicable) shall have terminated the Grantee's employment or service for Cause (as defined below) (whether the facts or circumstances that constitute such Cause occur prior to or after termination of employment or service), facts or circumstances arise or are discovered with respect to the Grantee that would have constituted Cause, then all Awards theretofore granted to such Grantee (whether vested or not) shall terminate and be subject to recoupment by the Company on the date of such termination (or on such subsequent date on which such facts or circumstances arise or are discovered, as the case may be) unless otherwise determined by the Committee, and any Shares issued upon exercise or (if applicable) vesting of Awards (including other Shares or securities issued or distributed with respect thereto, and including the gross amount of any proceeds, gains or other economic benefit the Grantee actually or constructively receives upon receipt or exercise of any Award or the receipt or resale of any Shares underlying the Award), whether held by the Grantee or by the Trustee for the Grantee's benefit, shall be deemed to be irrevocably offered for sale to the Company, any of its Affiliates or any person designated by the Company to purchase, at the Company's election and subject to Applicable Law, either for no consideration, for the nominal value of such Shares (if such Shares bear a nominal value) or against payment of the Exercise Price previously received by the Company for such Shares upon their issuance, as the Committee deems fit, upon written notice to the Grantee at any time prior to, at or after the Grantee's termination of employment or service. Such Shares or other securities shall be sold and transferred within 30 days from the date of the Company's notice of its election to exercise its right. If the Grantee fails to transfer such Shares or other securities to the Company, the Company, at the decision of the Committee, shall be entitled to forfeit or repurchase such Shares and to authorize any person to execute on behalf of the Grantee any document necessary to effect such transfer, whether or not the share certificates are surrendered. The Company shall have the right and authority to effect the above either by: (i) repurchasing all of such Shares or other securities held by the Grantee or by the Trustee for the benefit of the Grantee, or designate the purchaser of all or any part of such Shares or other securities, for the Exercise Price paid for such Shares, the nominal value of such Shares (if such Shares bear a nominal value) or for no payment or consideration whatsoever, as the Committee deems fit; (ii) forfeiting all or any part of such Shares or other securities; (iii) redeeming all or any part of such Shares or other securities, for the Exercise Price paid for such Shares, the nominal value of such Shares (if such Shares bear a nominal value) or for no payment or consideration whatsoever, as the Committee deems fit; (iv) taking action in order to have all or any part of such Shares or other securities converted into deferred shares entitling their holder only to their nominal value (if such Shares bear a nominal value) upon liquidation of the Company; or (v) taking any other action which may be required in order to achieve similar results; all as shall be determined by the Committee, at its sole and absolute discretion, and the Grantee is deemed to irrevocably empower the Company or any person which may be designated by it to take any action by, in the name of or on behalf of the Grantee to comply with and give effect to such actions (including, voting such shares, filling in, signing and delivering share transfer deeds, etc.).

6.6.3 Notwithstanding anything to the contrary, the Committee, in its absolute discretion, may, on such terms and conditions as it may determine appropriate, extend the periods for which Awards held by any Grantee may continue to vest and be exercisable; it being clarified that such Awards may lose their entitlement to certain tax benefits under Applicable Law (including, without limitation, qualification of an Award as an Incentive Stock Option) as a result of the modification of such Awards and/or in the event that the Award is exercised beyond the later of: (i) three (3) months after the date of termination of the employment or service relationship; or (ii) the applicable period under Section 6.7 below with respect to a termination of the employment or service relationship because of the death, Disability or Retirement of Grantee.

6.6.4 For purposes of this Plan:

6.6.4.1. A termination of employment or service of a Grantee shall not be deemed to occur (except to the extent required by the Code with respect to the Incentive Stock Option status of an Option) in case of (i) a transition or transfer of a Grantee among the Company and its Affiliates, (ii) a change in the capacity in which the Grantee is employed or renders service to the Company or any of its Affiliates or a change in the identity of the employing or engagement entity among the Company and its Affiliates, provided, in case of the foregoing clauses (i) and (ii) above, that the Grantee has remained continuously employed by and/or in the service of the Company and its Affiliates since the date of grant of the Award and throughout the vesting period; or (iii) if the Grantee takes any unpaid leave as set forth in Section 6.8 below.

6.6.4.2. An entity or an Affiliate thereof assuming an Award or issuing in substitution thereof in a transaction to which Section 424(a) of the Code applies or in a Merger/Sale in accordance with Section 14 shall be deemed as an Affiliate of the Company for purposes of this Section 6.6, unless the Committee determines otherwise.

6.6.4.3. In the case of a Grantee whose principal employer or service recipient is a Subsidiary or other Affiliate thereof, the Grantee's employment shall also be deemed terminated for purposes of this Section 6.6 as of the date on which such principal employer or service recipient ceases to be a Subsidiary or other Affiliate thereof.

6.6.4.4. The term "Cause" shall mean (irrespective of, and in addition to, any definition included in any other agreement or instrument applicable to the Grantee, and unless otherwise determined by the Committee) any of the following: (i) any theft, fraud, embezzlement, dishonesty, willful misconduct, breach of fiduciary duty for personal profit, falsification of any documents or records of the Company or any of its Affiliates, felony or similar act by the Grantee (whether or not related to the Grantee's relationship with the Company); (ii) an act of moral turpitude by the Grantee, or any act that causes significant injury to, or is otherwise adversely affecting, the reputation, business, assets, operations or business relationship of the Company (or a Subsidiary or other Affiliate thereof, when applicable); (iii) any breach by the Grantee of any material agreement with or of any material duty of the Grantee to the Company or any Subsidiary or other Affiliate thereof (including breach of confidentiality, non-disclosure, non-use non-competition or non-solicitation covenants towards the Company or any of its Affiliates) or failure to abide by code of conduct or other policies (including, without limitation, policies relating to confidentiality and reasonable workplace conduct); (iv) any act which constitutes a breach of a Grantee's fiduciary duty towards the Company or a Subsidiary or other Affiliate thereof, including disclosure of confidential or proprietary information thereof or acceptance or solicitation to receive unauthorized or undisclosed benefits, irrespective of their nature, or funds, or promises to receive either, from individuals, consultants or corporate entities with whom the Company or a Subsidiary or other Affiliate thereof conducts business; (v) the Grantee's unauthorized use, misappropriation, destruction, or diversion of any tangible or intangible asset or corporate opportunity of the Company or any of its Affiliates (including, without limitation, the improper use or disclosure of confidential or proprietary information); or (vi) any circumstances that constitute grounds for termination for cause under the Grantee's employment or service agreement with the Company or Affiliate, to the extent applicable. For the avoidance of doubt, the determination as to whether a termination is for Cause for purposes of this Plan, shall be made in good faith by the Committee and shall be final and binding on the Grantee.

6.7. Death, Disability or Retirement of Grantee.

6.7.1 If a Grantee shall die while employed by, or performing service for, the Company or any of its Affiliates, or within the three (3) month period (or such longer period of time as determined by the Board, in its discretion) after the date of termination of such Grantee's employment or service (or within such different period as the Committee may have provided pursuant to Section 6.6 hereof), or if the Grantee's employment or service with the Company or any of its Affiliates shall terminate by reason of Disability, all Awards theretofore granted to such Grantee may (to the extent otherwise vested and exercisable and unless earlier terminated in accordance with their terms) be exercised by the Grantee or by the Grantee's estate or by a person who acquired the legal right to exercise such Awards by bequest or inheritance, or by a person who acquired the legal right to exercise such Awards in accordance with applicable law in the case of Disability of the Grantee, as the case may be, at any time within one (1) year (or such longer period of time as determined by the Committee, in its discretion) after the death or Disability of the Grantee (or such different period as the Committee shall prescribe), but in any event no later than the date of expiration of the Award's term as set forth in the Award Agreement or pursuant to this Plan. In the event that an Award granted hereunder shall be exercised as set forth above by any person other than the Grantee, written notice of such exercise shall be accompanied by a certified copy of letters testamentary or proof satisfactory to the Committee of the right of such person to exercise such Award.

6.7.2 In the event that the employment or service of a Grantee shall terminate on account of such Grantee's Retirement, all Awards of such Grantee that are exercisable at the time of such Retirement may, unless earlier terminated in accordance with their terms, be exercised at any time within the three (3) month period after the date of such Retirement (or such different period as the Committee shall prescribe).

6.8. Suspension of Vesting. Unless the Committee provides otherwise, vesting of Awards granted hereunder shall be suspended during any unpaid leave of absence, other than in the case of any (i) leave of absence which was pre-approved by the Company explicitly for purposes of continuing the vesting of Awards, or (ii) transfers between locations of the Company or any of its Affiliates, or between the Company and any of its Affiliates, or any respective successor thereof. For clarity, for purposes of this Plan, military leave, statutory maternity or paternity leave or sick leave are not deemed unpaid leave of absence, unless otherwise determined by the Committee.

6.9. Securities Law Restrictions. Except as otherwise provided in the applicable Award Agreement or other agreement between the Service Provider and the Company, if the exercise of an Award following the termination of the Service Provider's employment or service (other than for Cause) would be prohibited at any time solely because the issuance of Shares would violate the registration requirements under the Securities Act or equivalent requirements under equivalent laws of other applicable jurisdictions, then the Award shall remain exercisable and terminate on the earlier of (i) the expiration of a period of three (3) months (or such longer period of time as determined by the Board, in its discretion) after the termination of the Service Provider's employment or service during which the exercise of the Award would not be in such violation, or (ii) the expiration of the term of the Award as set forth in the Award Agreement or pursuant to this Plan. In addition, unless otherwise provided in a Grantee's Award Agreement, if the sale of any Shares received upon exercise or (if applicable) vesting of an Award following the termination of the Grantee's employment or service (other than for Cause) would violate the Company's insider trading policy, then the Award shall terminate on the earlier of (i) the expiration of a period equal to the applicable post-termination exercise period after the termination of the Grantee's employment or service during which the exercise of the Award would not be in violation of the Company's insider trading policy, or (ii) the expiration of the term of the Award as set forth in the applicable Award Agreement or pursuant to this Plan.

6.10. Voting Proxy. Until immediately after the listing for trading on a stock exchange or market or trading system of the Company's (or the Successor Corporation's) shares, the Shares subject to an Award or to be issued pursuant to an Award or any other Securities, shall, unless otherwise determined by the Committee, be subject to an irrevocable proxy and power of attorney by the Grantee or the Trustee (if so requested from the Trustee), as the case may be, to the Company, which shall designate such person or persons (with a right of substitution) from time to time as determined by the Committee (and in the absence of such determination, the Chief Executive Officer of the Company or the Chairman of the Board, ex officio (or, in no Chairman is in office, any other member designated by the Board)). The Trustee is deemed to be instructed by the Grantee to sign such proxy, as requested by the Company. The proxy shall entitle the holder thereof to receive notices, vote and take such other actions in respect of the Shares or other Securities. Any person holding or exercising such voting proxies shall do so solely in his capacity as the proxy holder and not individually. All Awards granted hereunder shall be conditioned upon the execution of such irrevocable proxy in substantially the form prescribed by the Committee from time to time. So long as any such Shares are subject to such irrevocable proxy and power of attorney or held by a Trustee (and unless a proxy was given by the Trustee as aforesaid), (i) in any shareholders meeting or written consent in lieu thereof, such Shares shall be voted by the proxy holder (or the Trustee, as applicable), unless directed otherwise by the Board, in the same proportion as the result of the vote at the shareholders' meeting (or written consent in lieu thereof) in respect of which the Shares are being voted (whether an extraordinary or annual meeting, and whether of the share capital as one class or of any class thereof), and (ii) or in any act or consent of shareholders under the Company's Articles of Association or otherwise, such Shares shall be cast by the proxy holder (or the Trustee, as applicable), unless directed otherwise by the Board, in the same proportion as the result of the shareholders' act or consent. The provisions of this Section shall apply to the Grantee and to any purchaser, assignee or transferee of any Shares.

6.11. Other Provisions. The Award Agreement evidencing Awards under this Plan shall contain such other terms and conditions not inconsistent with this Plan as the Committee may determine, at or after the date of grant, including provisions in connection with the restrictions on transferring the Awards or Shares covered by such Awards, which shall be binding upon the Grantees and any purchaser, assignee or transferee of any Awards, and other terms and conditions as the Committee shall deem appropriate.

7. NONQUALIFIED STOCK OPTIONS.

Awards granted pursuant to this Section 7 are intended to constitute Nonqualified Stock Options and shall be subject to the general terms and conditions specified in Section 6 hereof and other provisions of this Plan, except for any provisions of this Plan applying to Awards under different tax laws or regulations. In the event of any inconsistency or contradictions between the provisions of this Section 7 and the other terms of this Plan, this Section 7 shall prevail. However, if for any reason the Awards granted pursuant to this Section 7 (or portion thereof) does not qualify as an Incentive Stock Option, then, to the extent of such non-qualification, such Option (or portion thereof) shall be regarded as a Nonqualified Stock Option granted under this Plan. In no event will the Board, the Company or any Parent or Subsidiary or any of their respective employees or directors have any liability to Participant (or any other person) due to the failure of the Option to qualify for any reason as an Incentive Stock Option.

7.1. Certain Limitations on Eligibility for Nonqualified Stock Options. Nonqualified Stock Options may not be granted to a Service Provider who is deemed to be a resident of the United States for purposes of taxation or who is otherwise subject to United States federal income tax unless the Shares underlying such Options constitute "service recipient stock" under Section 409A of the Code or unless such Options comply with the payment requirements of Section 409A of the Code.

7.2. Exercise Price. The Exercise Price of a Nonqualified Stock Option shall not be less than 100% of the Fair Market Value of a Share on the date of grant of such Option unless the Committee specifically indicates that the Awards will have a lower Exercise Price and the Award complies with Section 409A of the Code. Notwithstanding the foregoing, a Nonqualified Stock Option may be granted with an exercise price lower than the minimum exercise price set forth above if such Award is granted pursuant to an assumption or substitution for another option in a manner qualifying under the provisions of that complies with Section 424(a) of the Code and 1.409A-1(b)(5)(v)(D) of the U.S. Treasury Regulations or any successor guidance.

8. INCENTIVE STOCK OPTIONS.

Awards granted pursuant to this Section 8 are intended to constitute Incentive Stock Options and shall be granted subject to the following special terms and conditions, the general terms and conditions specified in Section 6 hereof and other provisions of this Plan, except for any provisions of this Plan applying to Awards under different tax laws or regulations. In the event of any inconsistency or contradictions between the provisions of this Section 8 and the other terms of this Plan, this Section 8 shall prevail.

8.1. Eligibility for Incentive Stock Options. Incentive Stock Options may be granted only to Employees of the Company, or to Employees of a Parent or Subsidiary, determined as of the date of grant of such Options. An Incentive Stock Option granted to a prospective Employee upon the condition that such person become an Employee shall be deemed granted effective on the date such person commences employment, with an exercise price determined as of such date in accordance with Section 8.2.

8.2. Exercise Price. The Exercise Price of an Incentive Stock Option shall not be less than one hundred percent (100%) of the Fair Market Value of the Shares covered by the Awards on the date of grant of such Option or such other price as may be determined pursuant to the Code. Notwithstanding the foregoing, an Incentive Stock Option may be granted with an exercise price lower than the minimum exercise price set forth above if such Award is granted pursuant to an assumption or substitution for another option in a manner that complies with the provisions of Section 424(a) of the Code.

8.3. Date of Grant. Notwithstanding any other provision of this Plan to the contrary, no Incentive Stock Option may be granted under this Plan after 10 years from the date this Plan is adopted, or the date this Plan is approved by the shareholders, whichever is earlier.

8.4. Exercise Period. No Incentive Stock Option shall be exercisable after the expiration of ten (10) years after the effective date of grant of such Award, subject to Section 8.6. No Incentive Stock Option granted to a prospective Employee may become exercisable prior to the date on which such person commences employment.

8.5. $100,000 Per Year Limitation. The aggregate Fair Market Value (determined as of the date the Incentive Stock Option is granted) of the Shares with respect to which all Incentive Stock Options granted under this Plan and all other "incentive stock option" plans of the Company, or of any Parent or Subsidiary, become exercisable for the first time by each Grantee during any calendar year shall not exceed one hundred thousand United States dollars ($100,000) with respect to such Grantee. To the extent that the aggregate Fair Market Value of Shares with respect to which such Incentive Stock Options and any other such incentive stock options are exercisable for the first time by any Grantee during any calendar year exceeds one hundred thousand United States dollars ($100,000), such options shall be treated as Nonqualified Stock Options. The foregoing shall be applied by taking options into account in the order in which they were granted. If the Code is amended to provide for a different limitation from that set forth in this Section 8.5, such different limitation shall be deemed incorporated herein effective as of the date and with respect to such Awards as required or permitted by such amendment to the Code. If an Option is treated as an Incentive Stock Option in part and as a Nonqualified Stock Option in part by reason of the limitation set forth in this Section 8.5, the Grantee may designate which portion of such Option the Grantee is exercising. In the absence of such designation, the Grantee shall be deemed to have exercised the Incentive Stock Option portion of the Option first. Separate certificates representing each such portion may be issued upon the exercise of the Option.

8.6. Ten Percent Shareholder. In the case of an Incentive Stock Option granted to a Ten Percent Shareholder, notwithstanding the foregoing provisions of this Section8, (i) the Exercise Price shall not be less than one hundred and ten percent (110%) of the Fair Market Value of a Share on the date of grant of such Incentive Stock Option, and (ii) the Exercise Period shall not exceed five (5) years from the effective date of grant of such Incentive Stock Option.

8.7. Payment of Exercise Price. Each Award Agreement evidencing an Incentive Stock Option shall state each alternative method by which the Exercise Price thereof may be paid.

8.8. Leave of Absence. Notwithstanding Section 6.8, a Grantee's employment shall not be deemed to have terminated if the Grantee takes any leave as set forth in Section 6.8(i); provided, however, that if any such leave exceeds three (3) months, on the day that is three (3) months following the commencement of such leave any Incentive Stock Option held by the Grantee shall cease to be treated as an Incentive Stock Option and instead shall be treated thereafter as a Nonqualified Stock Option, unless the Grantee's right to return to employment is guaranteed by statute or contract.

8.9. Exercise Following Termination. Notwithstanding anything else in this Plan to the contrary, Incentive Stock Options that are not exercised within three (3) months following termination of the Grantee's employment with the Company or its Parent or Subsidiary or with a corporation (or a parent or subsidiary of such corporation) issuing or assuming an Option of such Grantee in a transaction to which Section 424(a) of the Code applies, or within one year in case of termination of the Grantee's employment with the Company or its Parent or Subsidiary due to a Disability (within the meaning of Section 22(e)(3) of the Code), shall be deemed to be Nonqualified Stock Options.

8.10. Notice to Company of Disqualifying Disposition. Each Grantee who receives an Incentive Stock Option must agree to notify the Company in writing immediately after the Grantee makes a Disqualifying Disposition of any Shares received pursuant to the exercise of Incentive Stock Options. A "Disqualifying Disposition" is any disposition (including any sale) of such Shares before the later of (i) two years after the date the Grantee was granted the Incentive Stock Option, or (ii) one year after the date the Grantee acquired Shares by exercising the Incentive Stock Option. If the Grantee dies before such Shares are sold, these holding period requirements do not apply and no disposition of the Shares will be deemed a Disqualifying Disposition.

9. 102 AWARDS.

Awards granted pursuant to this Section 9 are intended to constitute 102 Awards and shall be granted subject to the following special terms and conditions, the general terms and conditions specified in Section 6 hereof and other provisions of this Plan, except for any provisions of this Plan applying to Awards under different tax laws or regulations. In the event of any inconsistency or contradictions between the provisions of this Section 9 and the other terms of this Plan, this Section 9 shall prevail.

9.1. Tracks. Awards granted pursuant to this Section 9 are intended to be granted pursuant to Section 102 of the Ordinance pursuant to either (i) Section 102(b)(2) or (3) thereof (as applicable), under the capital gain track ("102 Capital Gain Track Awards"), or (ii) Section 102(b)(1) thereof under the ordinary income track ("102 Ordinary Income Track Awards", and together with 102 Capital Gain Track Awards, "102 Trustee Awards"). 102 Trustee Awards shall be granted subject to the special terms and conditions contained in this Section 9, the general terms and conditions specified in Section 6 hereof and other provisions of this Plan, except for any provisions of this Plan applying to Options under different tax laws or regulations.

9.2. Election of Track. Subject to Applicable Law, the Company may grant only one type of 102 Trustee Awards at any given time to all Grantees who are to be granted 102 Trustee Awards pursuant to this Plan, and shall file an election with the ITA regarding the type of 102 Trustee Awards it elects to grant before the date of grant of any 102 Trustee Awards (the "Election"). Such Election shall also apply to any other securities, including bonus shares, received by any Grantee as a result of holding the 102 Trustee Awards. The Company may change the type of 102 Trustee Awards that it elects to grant only after the expiration of at least 12 months from the end of the year in which the first grant was made in accordance with the previous Election, or as otherwise provided by Applicable Law. Any Election shall not prevent the Company from granting Awards, pursuant to Section 102(c) of the Ordinance without a Trustee ("102 Non-Trustee Awards").

9.3. Eligibility for Awards.

9.3.1 Subject to Applicable Law, 102 Awards may only be granted to an "employee" within the meaning of Section 102(a) of the Ordinance (which as of the date of the adoption of this Plan means (i) individuals employed by an Israeli company being the Company or any of its Affiliates, and (ii) individuals who are serving and are engaged personally (and not through an entity) as "office holders" by such an Israeli company), but may not be granted to a Controlling Shareholder ("Eligible 102 Grantees"). Eligible 102 Grantees may receive only 102 Awards, which may either be granted to a Trustee or granted under Section 102 of the Ordinance without a Trustee.

9.4. 102 Award Grant Date.

9.4.1 Each 102 Award will be deemed granted on the date determined by the Committee, subject to Section 9.4.2, provided that (i) the Grantee has signed all documents required by the Company or pursuant to Applicable Law, and (ii) with respect to 102 Trustee Award, the Company has provided all applicable documents to the Trustee in accordance with the guidelines published by the ITA, and if an agreement is not signed and delivered by the Grantee within 90 days from the date determined by the Committee (subject to Section 9.4.2), then such 102 Trustee Award shall be deemed granted on such later date as such agreement is signed and delivered and on which the Company has provided all applicable documents to the Trustee in accordance with the guidelines published by the ITA. In the case of any contradiction, this provision and the date of grant determined pursuant hereto shall supersede and be deemed to amend any date of grant indicated in any corporate resolution or Award Agreement.

9.4.2 Unless otherwise permitted by the Ordinance, any grants of 102 Trustee Awards that are made on or after the date of the adoption of this Plan or an amendment to this Plan, as the case may be, that may become effective only at the expiration of thirty (30) days after the filing of this Plan or any amendment thereof (as the case may be) with the ITA in accordance with the Ordinance shall be conditional upon the expiration of such 30-day period, such condition shall be read and is incorporated by reference into any corporate resolutions approving such grants and into any Award Agreement evidencing such grants (whether or not explicitly referring to such condition), and the date of grant shall be at the expiration of such 30-day period, whether or not the date of grant indicated therein corresponds with this Section. In the case of any contradiction, this provision and the date of grant determined pursuant hereto shall supersede and be deemed to amend any date of grant indicated in any corporate resolution or Award Agreement.

9.5. 102 Trustee Awards.

9.5.1 Each 102 Trustee Award, each Share issued pursuant to the exercise of any 102 Trustee Award, and any rights granted thereunder, including bonus shares, shall be issued to and registered in the name of the Trustee and shall be held in trust for the benefit of the Grantee for the requisite period prescribed by the Ordinance (the "Required Holding Period") or such longer period as set by the Committee. In the event that the requirements under Section 102 of the Ordinance to qualify an Award as a 102 Trustee Award are not met, then the Award may be treated as a 102 Non-Trustee Award or 3(9) Award, all in accordance with the provisions of the Ordinance. After expiration of the Required Holding Period, the Trustee may release such 102 Trustee Awards and any such Shares, provided that (i) the Trustee has received an acknowledgment from the ITA that the Grantee has paid any applicable taxes due pursuant to the Ordinance, or (ii) the Trustee and/or the Company and/or the Employer withholds all applicable taxes and compulsory payments due pursuant to the Ordinance arising from the 102 Trustee Awards and/or any Shares issued upon exercise or (if applicable) vesting of such 102 Trustee Awards. The Trustee shall not release any 102 Trustee Awards or Shares issued upon exercise or (if applicable) vesting thereof prior to the payment in full of the Grantee's tax and compulsory payments arising from such 102 Trustee Awards and/or Shares or the withholding referred to in (ii) above.

9.5.2 Each 102 Trustee Award shall be subject to the relevant terms of the Ordinance, the Rules and any determinations, rulings or approvals issued by the ITA, which shall be deemed an integral part of the 102 Trustee Awards and shall prevail over any term contained in this Plan or Award Agreement that is not consistent therewith. Any provision of the Ordinance, the Rules and any determinations, rulings or approvals by the ITA not expressly specified in this Plan or Award Agreement that are necessary to receive or maintain any tax benefit pursuant to Section 102 of the Ordinance shall be binding on the Grantee. Any Grantee granted a 102 Trustee Awards shall comply with the Ordinance and the terms and conditions of the trust agreement entered into between the Company and the Trustee. The Grantee shall execute any and all documents that the Company and/or its Affiliates and/or the Trustee determine from time to time to be necessary in order to comply with the Ordinance and the Rules.

9.5.3 During the Required Holding Period, the Grantee shall not release from trust or sell, assign, transfer or give as collateral, the Shares issuable upon the exercise or (if applicable) vesting of a 102 Trustee Awards and/or any securities issued or distributed with respect thereto, until the expiration of the Required Holding Period. Notwithstanding the above, if any such sale, release or other action occurs during the Required Holding Period it may result in adverse tax consequences to the Grantee under Section 102 of the Ordinance and the Rules, which shall apply to and shall be borne solely by such Grantee. Subject to the foregoing, the Trustee may, pursuant to a written request from the Grantee, but subject to the terms of this Plan, release and transfer such Shares to a designated third party, provided that both of the following conditions have been fulfilled prior to such release or transfer: (i) payment has been made to the ITA of all taxes and compulsory payments required to be paid upon the release and transfer of the Shares, and confirmation of such payment has been received by the Trustee and the Company, and (ii) the Trustee has received written confirmation from the Company that all requirements for such release and transfer have been fulfilled according to the terms of the Company's corporate documents, any agreement governing the Shares, this Plan, the Award Agreement and any Applicable Law.

9.5.4 If a 102 Trustee Award is exercised or (if applicable) vested, the Shares issued upon such exercise or (if applicable) vesting shall be issued in the name of the Trustee for the benefit of the Grantee.

9.5.5 Upon or after receipt of a 102 Trustee Award, if required, the Grantee may be required to sign an undertaking to release the Trustee from any liability with respect to any action or decision duly taken and executed in good faith by the Trustee in relation to this Plan, or any 102 Trustee Awards or Share granted to such Grantee thereunder.

9.6. 102 Non-Trustee Awards. The foregoing provisions of this Section 9 relating to 102 Trustee Awards shall not apply with respect to 102 Non-Trustee Awards, which shall, however, be subject to the relevant provisions of Section 102 of the Ordinance and the applicable Rules. The Committee may determine that 102 Non-Trustee Awards, the Shares issuable upon the exercise or (if applicable) vesting of a 102 Non-Trustee Awards and/or any securities issued or distributed with respect thereto, shall be allocated or issued to the Trustee, who shall hold such 102 Non-Trustee Awards and all accrued rights thereon (if any), in trust for the benefit of the Grantee and/or the Company, as the case may be, until the full payment of tax arising from the 102 Non-Trustee Awards, the Shares issuable upon the exercise or (if applicable) vesting of a 102 Non-Trustee Awards and/or any securities issued or distributed with respect thereto. The Company may choose, alternatively, to force the Grantee to provide it with a guarantee or other security, to the satisfaction of each of the Trustee and the Company, until the full payment of the applicable taxes.

9.7. Written Grantee Undertaking. To the extent and with respect to any 102 Trustee Award, and as required by Section 102 of the Ordinance and the Rules, by virtue of the receipt of such Award, the Grantee is deemed to have provided, undertaken and confirmed the following written undertaking (and such undertaking is deemed incorporated into any documents signed by the Grantee in connection with the employment or service of the Grantee and/or the grant of such Award), which undertaking shall be deemed to apply and relate to all 102 Trustee Awards granted to the Grantee, whether under this Plan or other plans maintained by the Company, and whether prior to or after the date hereof.

9.7.1 The Grantee shall comply with all terms and conditions set forth in Section 102 of the Ordinance with regard to the "Capital Gain Track" or the "Ordinary Income Track", as applicable, and the applicable rules and regulations promulgated thereunder, as amended from time to time;

9.7.2 The Grantee is familiar with, and understands the provisions of, Section 102 of the Ordinance in general, and the tax arrangement under the "Capital Gain Track" or the "Ordinary Income Track" in particular, and its tax consequences; the Grantee agrees that the 102 Trustee Awards and Shares that may be issued upon exercise or (if applicable) vesting of the 102 Trustee Awards (or otherwise in relation to the 102 Trustee Awards), will be held by the Trustee appointed pursuant to Section 102 of the Ordinance for at least the duration of the "Holding Period" (as such term is defined in Section 102) under the "Capital Gain Track" or the "Ordinary Income Track", as applicable. The Grantee understands that any release of such 102 Trustee Awards or Shares from trust, or any sale of the Share prior to the termination of the Holding Period, as defined above, will result in taxation at marginal tax rate, in addition to deductions of appropriate social security, health tax contributions or other compulsory payments; and

9.7.3 The Grantee agrees to the trust agreement signed between the Company, the Employer and the Trustee appointed pursuant to Section 102 of the Ordinance.

10. 3(I) AWARDS.

Awards granted pursuant to this Section 10 are intended to constitute 3(9) Awards and shall be granted subject to the general terms and conditions specified in Section 6 hereof and other provisions of this Plan, except for any provisions of this Plan applying to Awards under different tax laws or regulations. In the event of any inconsistency or contradictions between the provisions of this Section 10 and the other terms of this Plan, this Section 10 shall prevail.

10.1. To the extent required by the Ordinance or the ITA or otherwise deemed by the Committee to be advisable, the 3(i) Awards and/or any shares or other securities issued or distributed with respect thereto granted pursuant to this Plan shall be issued to a Trustee nominated by the Committee in accordance with the provisions of the Ordinance or the terms of a trust agreement, as applicable. In such event, the Trustee shall hold such Awards and/or other securities issued or distributed with respect thereto in trust, until exercised or (if applicable) vested by the Grantee and the full payment of tax arising therefrom, pursuant to the Company's instructions from time to time as set forth in a trust agreement, which will have been entered into between the Company and the Trustee. If determined by the Board or the Committee, and subject to such trust agreement, the Trustee will also hold the shares issuable upon exercise or (if applicable) vesting of the 3(i) Awards, as long as they are held by the Grantee. If determined by the Board or the Committee, and subject to such trust agreement, the Trustee shall be responsible for withholding any taxes to which a Grantee may become liable upon issuance of Shares, whether due to the exercise or (if applicable) vesting of Awards.

10.2. Shares pursuant to a 3(9) Award shall not be issued, unless the Grantee delivers to the Company payment in cash or by bank check or such other form acceptable to the Committee of all withholding taxes due, if any, on account of the Grantee acquired Shares under the Award or gives other assurance satisfactory to the Committee of the payment of those withholding taxes.

11. RESTRICTED SHARES.

The Committee may award Restricted Shares to any eligible Grantee, including under Section 102 of the Ordinance. Each Award of Restricted Shares under this Plan shall be evidenced by a written agreement between the Company and the Grantee (the "Restricted Share Agreement"), in such form as the Committee shall from time to time approve. The Restricted Shares shall be subject to all applicable terms of this Plan, which in the case of Restricted Shares granted under Section 102 of the Ordinance shall include Section 9 hereof, and may be subject to any other terms that are not inconsistent with this Plan. The provisions of the various Restricted Shares Agreements entered into under this Plan need not be identical. The Restricted Share Agreement shall comply with and be subject to Section 6 and the following terms and conditions, unless otherwise specifically provided in such Agreement and not inconsistent with this Plan or Applicable Law:

11.1. Purchase Price. Section 6.4 shall not apply. Each Restricted Shares Agreement shall state an amount of Exercise Price to be paid by the Grantee, if any, in consideration for the issuance of the Restricted Shares and the terms of payment thereof, which may include payment in cash or, subject to the Committee's approval, by issuance of promissory notes or other evidence of indebtedness on such terms and conditions as determined by the Committee.

11.2. Restrictions. Restricted Shares may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of, except by will or the laws of descent and distribution (in which case they shall be transferred subject to all restrictions then or thereafter applicable thereto), until such Restricted Shares shall have vested (the period from the date on which the Award is granted until the date of vesting of the Restricted Shares thereunder being referred to herein as the "Restricted Period"). The Committee may also impose such additional or alternative restrictions and conditions on the Restricted Shares, as it deems appropriate, including the satisfaction of performance criteria (which, in case of 102 Trustee Awards, may be subject to obtaining a specific tax ruling or determination from the ITA). Such performance criteria may include, but are not limited to, sales, earnings before interest and taxes, return on investment, earnings per share, any combination of the foregoing or rate of growth of any of the foregoing, as determined by the Committee or pursuant to the provisions of any Company policy required under mandatory provisions of Applicable Law. Certificates for shares issued pursuant to Restricted Shares Awards, if issued, shall bear an appropriate legend referring to such restrictions, and any attempt to dispose of any such shares in contravention of such restrictions shall be null and void and without effect. Such certificates may, if so determined by the Committee, be held in escrow by an escrow agent appointed by the Committee, or, if a Restricted Shares Award is made pursuant to Section 102 of the Ordinance, by the Trustee. In determining the Restricted Period of an Award the Committee may provide that the foregoing restrictions shall lapse with respect to specified percentages of the awarded Restricted Shares on successive anniversaries of the date of such Award. To the extent required by the Ordinance or the ITA, the Restricted Shares issued pursuant to Section 102 of the Ordinance shall be issued to the Trustee in accordance with the provisions of the Ordinance and the Restricted Shares shall be held for the benefit of the Grantee for at least the Required Holding Period.

11.3. Forfeiture; Repurchase. Subject to such exceptions as may be determined by the Committee, if the Grantee's continuous employment with or service to the Company or any Affiliate thereof shall terminate (such that Grantee is no longer a Service Provider of neither the Company nor any Affiliate thereof) for any reason prior to the expiration of the Restricted Period of an Award or prior to the timely payment in full of the Exercise Price of any Restricted Shares, any Restricted Shares remaining subject to vesting or with respect to which the purchase price has not been paid in full, shall thereupon be forfeited, transferred to, and redeemed, repurchased or cancelled by, as the case may be, in any manner as set forth in Section 6.6.2(i) through (v), subject to Applicable Law and the Grantee shall have no further rights with respect to such Restricted Shares.

11.4. Ownership. During the Restricted Period the Grantee shall possess all incidents of ownership of such Restricted Shares, subject to Section 6.10 and Section 11.2, including the right to vote and receive dividends with respect to such Shares. All securities, if any, received by a Grantee with respect to Restricted Shares as a result of any stock split, stock dividend, combination of shares, or other similar transaction shall be subject to the restrictions applicable to the original Award.

12. RESTRICTED SHARE UNITS.

An RSU is an Award covering a number of Shares that is settled, if vested and (if applicable) exercised, by issuance of those Shares. An RSU may be awarded to any eligible Grantee, including under Section 102 of the Ordinance. The Award Agreement relating to the grant of RSUs under this Plan (the "Restricted Share Unit Agreement"), shall be in such form as the Committee shall from time to time approve. The RSUs shall be subject to all applicable terms of this Plan, which in the case of RSUs granted under Section 102 of the Ordinance shall include Section 9 hereof, and may be subject to any other terms that are not inconsistent with this Plan. The provisions of the various Restricted Share Unit Agreements entered into under this Plan need not be identical. RSUs may be granted in consideration of a reduction in the recipient's other compensation.

12.1. Exercise Price. No payment of Exercise Price shall be required as consideration for RSUs, unless included in the Award Agreement or as required by Applicable Law (including, Section 304 of the Companies Law), and Section 6.4 shall apply, if applicable.

12.2. Shareholders' Rights. The Grantee shall not possess or own any ownership rights in the Shares underlying the RSUs and no rights as a shareholder shall exist prior to the actual issuance of Shares in the name of the Grantee.

12.3. Settlements of Awards. Settlement of vested RSUs shall be made in the form of Shares. Distribution to a Grantee of an amount (or amounts) from settlement of vested RSUs can be deferred to a date after vesting as determined by the Committee. The amount of a deferred distribution may be increased by an interest factor or by dividend equivalents. Until the grant of RSUs is settled, the number of Shares underlying such RSUs shall be subject to adjustment pursuant hereto.

12.4. Section 409A Restrictions. Notwithstanding anything to the contrary set forth herein, any RSUs granted under this Plan that are not exempt from the requirements of Section 409A of the Code shall contain such restrictions or other provisions so that such RSUs will comply with the requirements of Section 409A of the Code, if applicable to the Company. Such restrictions, if any, shall be determined by the Committee and contained in the Restricted Share Unit Agreement evidencing such RSU. For example, such restrictions may include a requirement that any Shares that are to be issued in a year following the year in which the RSU vests must be issued in accordance with a fixed, pre-determined schedule.

13. OTHER SHARE OR SHARE-BASED AWARDS.

13.1. The Committee may grant other Awards under this Plan pursuant to which Shares (which may, but need not, be Restricted Shares pursuant to Section 11 hereof), cash (in settlement of Share-based Awards) or a combination thereof, are or may in the future be acquired or received, or Awards denominated in stock units, including units valued on the basis of measures other than market value.

13.2. The Committee may also grant stock appreciation rights without the grant of an accompanying option, which rights shall permit the Grantees to receive, at the time of any exercise of such rights, cash equal to the amount by which the Fair Market Value of the Shares in respect to which the right was granted is so exercised exceeds the exercise price thereof. The exercise price of any such stock appreciation right granted to a Grantee who is subject to U.S. federal income tax shall be determined in compliance with Section 7.2.

13.3. Such other Share-based Awards as set forth above may be granted alone, in addition to, or in tandem with any Award of any type granted under this Plan (without any obligation or assurance that that such Share-based Awards will be entitled to tax benefits under Applicable Law or to the same tax treatment as other Awards under this Plan).

14. EFFECT OF CERTAIN CHANGES.

14.1. General. In the event of a division or subdivision of the outstanding share capital of the Company, any distribution of bonus shares (stock split), consolidation or combination of share capital of the Company (reverse stock split), reclassification with respect to the Shares or any similar recapitalization events (each, a "Recapitalization"), a merger (including, a reverse merger and a reverse triangular merger), consolidation, amalgamation or like transaction of the Company with or into another corporation, a reorganization (which may include a combination or exchange of shares, spin-off or other corporate divestiture or division, or other similar occurrences, the Committee shall make, without the need for a consent of any holder of an Award, such adjustments as determined by the Committee to be appropriate, in its discretion, in order to adjust (i) the number and class of shares reserved and available for grants of Awards, (ii) the number and class of shares covered by outstanding Awards, (iii) the Exercise Price per share covered by any Award, (iv) the terms and conditions concerning vesting and exercisability and the term and duration of the outstanding Awards, and (v) the type or class of security, asset or right underlying the Award (which need not be only that of the Company, and may be that of the surviving corporation or any affiliate thereof or such other entity party to any of the above transactions), and (vi) any other terms of the Award that in the opinion of the Committee should be adjusted. Any fractional shares resulting from such adjustment shall be treated as determined by the Committee, and in the absence of such determination shall be rounded to the nearest whole share, and the Company shall have no obligation to make any cash or other payment with respect to such fractional shares. No adjustment shall be made by reason of the distribution of subscription rights or rights offering to outstanding shares or other issuance of shares by the Company, unless the Committee determines otherwise. The adjustments determined pursuant to this Section 14.1 (including a determination that no adjustment is to be made) shall be final, binding and conclusive.

14.2. Merger/Sale of Company. In the event of (i) a sale of all or substantially all of the assets of the Company, or a sale (including an exchange) of all or substantially all of the shares of the Company, to any person, or a purchase by a shareholder of the Company or by an Affiliate of such shareholder, of all the shares of the Company held by all or substantially all other shareholders or by other shareholders who are not Affiliated with such acquiring party; (ii) a merger (including, a reverse merger and a reverse triangular merger), consolidation, amalgamation or like transaction of the Company with or into another corporation; (iii) a scheme of arrangement for the purpose of effecting such sale, merger, consolidation, amalgamation or other transaction; (iv) approval by the shareholders of the Company of a complete liquidation or dissolution of the Company, or (v) such other transaction or set of circumstances that is determined by the Board, in its discretion, to be a transaction subject to the provisions of this Section 14.2 excluding any of the foregoing transactions in clauses (i) through (v) if the Board determines that such transaction should be excluded from the definition hereof and the applicability of this Section 14.2 (each of the foregoing transactions, a "Merger/Sale"), then, without derogating from the general authority and power of the Board or the Committee under this Plan, without the Grantee's consent and action and without any prior notice requirement, the Committee may make, in its sole and absolute discretion, any determination as to the treatment of Awards, as provided herein:

14.2.1 Unless otherwise determined by the Committee, any Award then outstanding shall be assumed or be substituted by the Company, or by the successor corporation in such Merger/Sale or by any parent or Affiliate thereof, as determined by the Committee in its discretion (the "Successor Corporation"), under terms as determined by the Committee or the terms of this Plan applied by the Successor Corporation to such assumed or substituted Awards.

For the purposes of this Section 14.2.1, the Award shall be considered assumed or substituted if, following a Merger/Sale, the Award confers on the holder thereof the right to purchase or receive, for each Share underlying an Award immediately prior to the Merger/Sale, either (i) the consideration (whether shares or other securities, cash or other property, or rights, or any combination thereof) distributed to or received by holders of Shares in the Merger/Sale for each Share held on the effective date of the Merger/Sale (and if holders were offered a choice or several types of consideration, the type of consideration as determined by the Committee, which need not be the same type for all Grantees), or (ii) regardless of the consideration received by the holders of Shares in the Merger/Sale, solely shares or any type of Awards (or their equivalent) of the Successor Corporation at a value to be determined by the Committee in its discretion, or a certain type of consideration (whether shares or other securities, cash or other property, or rights, or any combination thereof) as determined by the Committee. Any of the consideration referred to in the foregoing clauses (i) and (ii) shall be subject to the same vesting and expiration terms of the Awards applying immediately prior to the Merger/Sale, unless determined by the Committee in its discretion that the consideration shall be subject to different vesting and expiration terms, or other terms, and the Committee may determine that it be subject to other or additional terms. The foregoing shall not limit the Committee's authority to determine, that in lieu of such assumption or substitution of Awards for Awards of the Successor Corporation, such Award will be substituted for shares or other securities, cash or other property, or rights, or any combination thereof, including as set forth in Section 14.2.2 hereof.

14.2.2 Regardless of whether or not Awards are assumed or substituted, the Committee may (but shall not be obligated to):

14.2.2.1. provide for the Grantee to have the right to exercise the Award in respect of Shares covered by the Award which would otherwise be exercisable or vested, under such terms and conditions as the Committee shall determine, and the cancellation of all unexercised Awards (whether vested or unvested) upon or immediately prior to the closing of the Merger/Sale, unless the Committee provides for the Grantee to have the right to exercise the Award, or otherwise for the acceleration of vesting of such Award, as to all or part of the Shares covered by the Award which would not otherwise be exercisable or vested, under such terms and conditions as the Committee shall determine;

14.2.2.2. provide for the cancellation of each outstanding Award at or immediately prior to the closing of such Merger/Sale, and if and to what extent payment shall be made to the Grantee of an amount in, shares or other securities of the Company, the acquirer or of a corporation or other business entity which is a party to the Merger/Sale, in cash or other property, in rights, or in any combination thereof, as determined by the Committee to be fair in the circumstances, and subject to such terms and conditions as determined by the Committee. The Committee shall have full authority to select the method for determining the payment (being the intrinsic ("spread") value of the option, Black-Scholes model or any other method). *Inter alia*, and without limitation of the following determination being made in other circumstances, the Committee's determination may provide that payment shall be set to zero if the value of the Shares is determined to be less than the Exercise Price, or in respect of Shares covered by the Award which would not otherwise be exercisable or vested, or that payment may be made only in excess of the Exercise Price; and/or

14.2.2.3. provide that the terms of any Award shall be otherwise amended, modified or terminated, as determined by the Committee to be fair in the circumstances.

14.2.3 The Committee may, determine: (i) that any payments made in respect of Awards shall be made or delayed to the same extent that payment of consideration to the holders of the Shares in connection with the Merger/Sale is made or delayed as a result of escrows, indemnification, earn outs, holdbacks or any other contingencies or conditions; (ii) the terms and conditions applying to the payment made or payable to the Grantees, including participation in escrow, indemnification, releases, earn-outs, holdbacks or any other contingencies; and (iii) that any terms and conditions applying under the applicable definitive transaction agreements shall apply to the Grantees (including, appointment and engagement of a shareholders or sellers representative, payment of fees or other costs and expenses associated with such services, indemnifying such representative, and authorization to such representative within the scope of such representative's authority in the applicable definitive transaction agreements).

14.2.4 The Committee may, determine to suspend the Grantee's rights to exercise any vested portion of an Award for a period of time prior to the signing or consummation of a Merger/Sale transaction.

14.2.5 Without limiting the generality of this Section 14, if the consideration in exchange for Awards in a Merger/Sale includes any securities and due receipt thereof by any Grantee (or by the Trustee for the benefit of such Grantee) may require under applicable law (i) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (ii) the provision to any Grantee of any information under the Securities Act or any other securities laws, then the Committee may determine that the Grantee shall be paid in lieu thereof, against surrender of the Shares or cancellation of any other Awards, an amount in cash or other property, or rights, or any combination thereof, as determined by the Committee to be fair in the circumstances, and subject to such terms and conditions as determined by the Committee. Nothing herein shall entitle any Grantee to receive any form of consideration that such Grantee would be ineligible to receive as a result of such Grantee's failure to satisfy (in the Committee's sole determination) any condition, requirement or limitation that is generally applicable to the Company's shareholders, or that is otherwise applicable under the terms of the Merger/Sale, and in such case, the Committee shall determine the type of consideration and the terms applying to such Grantees.

14.2.6 Neither the authorities and powers of the Committee under this Section 14.2, nor the exercise or implementation thereof, shall (i) be restricted or limited in any way by any adverse consequences (tax or otherwise) that may result to any holder of an Award, and (ii) as, *inter alia*, being a feature of the Award upon its grant, be deemed to constitute a change or an amendment of the rights of such holder under this Plan, nor shall any such adverse consequences (as well as any adverse tax consequences that may result from any tax ruling or other approval or determination of any relevant tax authority) be deemed to constitute a change or an amendment of the rights of such holder under this Plan, and may be effected without consent of any Grantee and without any liability to the Company or its Affiliates or to its or their respective officers, directors, employees and representatives and the respective successors and assigns of any of the foregoing. The Committee need not take the same action with respect to all Awards or with respect to all Service Providers. The Committee may take different actions with respect to the vested and unvested portions of an Award. The Committee may determine an amount or type of consideration to be received or distributed in a Merger/Sale which may differ as among the Grantees, and as between the Grantees and any other holders of shares of the Company.

14.2.7 The Committee may determine that upon a Merger/Sale any Shares held by Grantees (or for Grantee's benefit) are sold in accordance with instructions issued by the Committee in connection with such Merger/Sale, which shall be final, conclusive and binding on all Grantees.

14.2.8 All of the Committee's determinations pursuant to this Section 14 shall be at its sole and absolute discretion, and shall be final, conclusive and binding on all Grantees (including, for clarity, as it relates to Shares issued upon exercise or vesting of any Awards or that are Awards, unless otherwise determined by the Committee) and without any liability to the Company or its Affiliates, or to their respective officers, directors, employees, shareholders and representatives, and the respective successors and assigns of any of the foregoing, in connection with the method of treatment, chosen course of action or determinations made hereunder.

14.2.9 If determined by the Committee, the Grantees shall be subject to the definitive agreement(s) in connection with the Merger/Sale as applying to holders of Shares including, such terms, conditions, representations, undertakings, liabilities, limitations, releases, indemnities, appointing and indemnifying shareholders/sellers representative, participating in transaction expenses, shareholders/sellers representative expense fund and escrow arrangement, in each case as determined by the Committee. Each Grantee shall execute (and authorizes any person designated by the Company to so execute, as well as (if applicable) the Trustee holding any Shares for the Grantee's behalf) such separate agreement(s) or instruments as may be requested by the Company, the Successor Corporation or the acquirer in connection with such in such Merger/Sale or otherwise under or for the purpose of implementing this Section 14.2, and in the form required by them. The execution of such separate agreement(s) may be a condition to the receipt of assumed or substituted Awards, payment in lieu of the Award, the exercise of any Award or otherwise to be entitled to benefit from shares or other securities, cash or other property, or rights, or any combination thereof, pursuant to this Section 14.2 (and the Company (and, if applicable, the Trustee) may exercise its authorization above and sign such agreement on behalf of the Grantee or subject the Grantee to the provisions of such agreements). Without limitation of the foregoing, the proxy pursuant to Section 6.10 includes an authorization of the holder of such proxy to sign, by and on behalf of any Grantee, such documents and agreements required to be signed under this Section 14.2.

14.3. Reservation of Rights. Except as expressly provided in this Section 14 (if any), the Grantee of an Award hereunder shall have no rights by reason of any Recapitalization of shares of any class, any increase or decrease in the number of shares of any class, or any dissolution, liquidation, reorganization (which may include a combination or exchange of shares, spin-off or other corporate divestiture or division, or other similar occurrences), Merger/Sale. Any issue by the Company of shares of any class, or securities convertible into shares of stock of any class, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number, type or price of shares subject to an Award. The grant of an Award pursuant to this Plan shall not affect in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes of its capital or business structures or to merge or to consolidate or to dissolve, liquidate or sell, or transfer all or part of its business or assets or engage in any similar transactions.

15. NON-TRANSFERABILITY OF AWARDS; SURVIVING BENEFICIARY.

15.1. All Awards granted under this Plan by their terms shall not be transferable other than by will or by the laws of descent and distribution, unless otherwise determined by the Committee or under this Plan, provided that with respect to Shares issued upon exercise of Awards, Shares issued upon the vesting of Awards or Awards that are Shares, the restrictions on transfer shall be the restrictions referred to in Section 16 (Conditions upon Issuance of Shares) hereof. Subject to the above provisions, the terms of such Award, this Plan and any applicable Award Agreement shall be binding upon the beneficiaries, executors, administrators, heirs and successors of such Grantee. Awards may be exercised or otherwise realized, during the lifetime of the Grantee, only by the Grantee or by his guardian or legal representative, to the extent provided for herein. Any transfer of an Award not permitted hereunder (including transfers pursuant to any decree of divorce, dissolution or separate maintenance, any property settlement, any separation agreement or any other agreement with a spouse) and any grant of any interest in any Award to, or creation in any way of any direct or indirect interest in any Award by, any party other than the Grantee shall be null and void and shall not confer upon any party or person, other than the Grantee, any rights. A Grantee may file with the Committee a written designation of a beneficiary, who shall be permitted to exercise such Grantee's Award or to whom any benefit under this Plan is to be paid, in each case, in the event of the Grantee's death before he or she fully exercises his or her Award or receives any or all of such benefit, on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. If no designated beneficiary survives the Grantee, the executor or administrator of the Grantee's estate shall be deemed to be the Grantee's beneficiary. Notwithstanding the foregoing, upon the request of the Grantee and subject to Applicable Law the Committee, at its sole discretion, may permit the Grantee to transfer the Award to a trust whose beneficiaries are the Grantee and/or the Grantee's immediate family members (all or several of them).

15.2. Notwithstanding any other provisions of the Plan to the contrary, no Incentive Stock Option may be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution or in accordance with a beneficiary designation pursuant to Section 15.1. Further, all Incentive Stock Options granted to a Grantee shall be exercisable during his or her lifetime only by such Grantee.

15.3. As long as the Shares are held by the Trustee in favor of the Grantee, all rights possessed by the Grantee over the Shares are personal, and may not be transferred, assigned, pledged or mortgaged, other than by will or laws of descent and distribution.

15.4. If and to the extent a Grantee is entitled to transfer an Award and/or Shares underlying an Award in accordance with the terms of the Plan and any other applicable agreements, such transfer shall be subject (in addition, to any other conditions or terms applying thereto) to receipt by the Company from such proposed transferee of a written instrument, on a form reasonably acceptable to the Company, pursuant to which such proposed transferee agrees to be bound by all provisions of the Plan and any other applicable agreements, including without limitation, any restrictions on transfer of the Award and/or Shares set forth herein (however, failure to so deliver such instrument to the Company as set forth above shall not derogate from all such provisions applying on any transferee).

15.5. The provisions of this Section 15 shall apply to the Grantee and to any purchaser, assignee or transferee of any Shares.

16. CONDITIONS UPON ISSUANCE OF SHARES; GOVERNING PROVISIONS.

16.1. Legal Compliance. The grant of Awards and the issuance of Shares upon exercise or settlement of Awards shall be subject to compliance with all Applicable Law as determined by the Company, including, applicable requirements of federal, state and foreign law with respect to such securities. The Company shall have no obligations to issue Shares pursuant to the exercise or settlement of an Award and Awards may not be exercised or settled, if the issuance of Shares upon exercise or settlement would constitute a violation of any Applicable Law as determined by the Company, including, applicable federal, state or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Shares may then be listed. In addition, no Award may be exercised unless (i) a registration statement under the Securities Act or equivalent law in another jurisdiction shall at the time of exercise or settlement of the Award be in effect with respect to the shares issuable upon exercise of the Award, or (ii) in the opinion of legal counsel to the Company, the shares issuable upon exercise of the Award may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act or equivalent law in another jurisdiction. The inability of the Company to obtain authority from any regulatory body having jurisdiction, if any, deemed by the Company to be necessary to the lawful issuance and sale of any Shares hereunder, and the inability to issue Shares hereunder due to non-compliance with any Company policies with respect to the sale of Shares, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority or compliance shall not have been obtained or achieved. As a condition to the exercise of an Award, the Company may require the person exercising such Award to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any Applicable Law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company, including to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares, all in form and content specified by the Company.

16.2. Provisions Governing Shares. Shares issued pursuant to an Award shall be subject to this Plan (unless otherwise determined by the Committee), and shall be subject to the Articles of Association of the Company, any limitation, restriction or obligation included in any shareholders agreement applicable to all or substantially all of the holders of shares (regardless of whether or not the Grantee is a formal party to such shareholders agreement), any other governing documents of the Company, all policies, manuals and internal regulations adopted by the Company from time to time, in each case, as may be amended from time to time, including any provisions included therein concerning restrictions or limitations on disposition of Shares (such as, but not limited to, right of first refusal and lock up/market stand-off) or grant of any rights with respect thereto, forced sale and bring along/drag along provisions, any provisions concerning restrictions on the use of inside information and other provisions deemed by the Company to be appropriate in order to ensure compliance with Applicable Law. Each Grantee shall execute (and authorizes any person designated by the Company to so execute, as well as (if applicable) the Trustee holding any Shares for the Grantee's behalf) such separate agreement(s) as may be requested by the Company relating to matters set forth in or otherwise for the purpose of implementing this Section 16.2. The execution of such separate agreement(s) may be a condition by the Company to the exercise of any Award and the Company may exercise its authorization above and sign such agreement on behalf of the Grantee or subject the Grantee to the provisions of such agreements.

16.3. Share Purchase Transactions; Forced Sale. In the event that the Board approves a Merger/Sale effected by way of a forced or compulsory sale (whether pursuant to the Company's Articles of Association or pursuant to Section 341 of the Companies Law or any Shareholders Agreement or otherwise) or in the event of a transaction for the sale of all shares of the Company, then, without derogating from such provisions and in addition thereto, the Grantee shall be obligated, and shall be deemed to have agreed to the offer to effect the Merger/Sale (and the Shares held by or for the benefit of the Grantee shall be included in the shares of the Company approving the terms of such Merger/Sale for the purpose of satisfying the required majority), and shall sell all of the Shares held by or for the benefit of the Grantee on the terms and conditions applying to the holders of Shares, in accordance with the instructions then issued by the Board, whose determination shall be final. No Grantee shall contest, bring any claims or demands, or exercise any appraisal or dissenters' rights related to any of the foregoing. Each Grantee shall execute (and authorizes any person designated by the Company to so execute, as well as (if applicable) the Trustee holding any Shares for the Grantee's behalf) such documents and agreements, as may be requested by the Company relating to matters set forth in or otherwise for the purpose of implementing this Section16.3. The execution of such separate agreement(s) may be a condition by the Company to the exercise of any Award and the Company (and, if applicable, the Trustee) may exercise its authorization above and sign such agreement on behalf of the Grantee or subject the Grantee to the provisions of such agreements. Without limitation of the foregoing, the proxy pursuant to Section 6.10 includes an authorization of the holder of such proxy to sign, by and on behalf of any Grantee, such documents and agreements as are required to affect the sale of Shares in connection with such Merger/Sale and waivers of any contest, claims or demands, or any appraisal or dissenters' rights.

16.4. Data Privacy; Data Transfer. Information related to Grantees and Awards hereunder, as shall be received from Grantee or others, and/or held by, the Company or its Affiliates from time to time, and which information may include sensitive and personal information related to Grantees ("Information"), will be used by the Company or its Affiliates (or third parties appointed by any of them, including the Trustee) to comply with any applicable legal requirement, or for administration of the Plan as they deems necessary or advisable, or for the respective business purposes of the Company or its Affiliates (including in connection with transactions related to any of them). The Company and its Affiliates shall be entitled to transfer the Information among the Company or its Affiliates, and to third parties for the purposes set forth above, which may include persons located abroad (including, any person administering the Plan or providing services in respect of the Plan or in order to comply with legal requirements, or the Trustee, their respective officers, directors, employees and representatives, and the respective successors and assigns of any of the foregoing), and any person so receiving Information shall be entitled to transfer it for the purposes set forth above. The Company shall use commercially reasonable efforts to ensure that the transfer of such Information shall be limited to the reasonable and necessary scope. By receiving an Award hereunder, Grantee acknowledges and agrees that the Information is provided at Grantee's free will and Grantee consents to the storage and transfer of the Information as set forth above.

17. MARKET STAND-OFF.

17.1. In connection with any underwritten public offering of equity securities of the Company pursuant to an effective registration statement filed under the Securities Act or equivalent law of another jurisdiction, the Grantee shall not directly or indirectly, without the prior written consent of the Company or its underwriters, (i) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any Shares or other Awards, any securities of the Company (whether or not such Shares were acquired under this Plan), or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Shares or securities of the Company and any other shares or securities issued or distributed in respect thereto or in substitution thereof (collectively, "Securities"), or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Securities, whether any such transaction described in clauses (i) or (ii) is to be settled by delivery of Securities, in cash or otherwise. The foregoing provisions of this Section 17.1 shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement. Such restrictions (the "Market Stand-Off") shall be in effect for such period of time (the "Market Stand-Off Period"): (A) following the first public filing of the registration statement relating to the underwritten public offering until the expiration of 180 days following the effective date of such registration statement relating to the Company's initial public offering or 90 days following the effective date of such registration statement relating to any other public offering, in each case, provided, however, that if (1) during the last 17 days of the initial Market Stand-Off Period, the Company releases earnings results or announces material news or a material event or (2) prior to the expiration of the initial Market Stand-Off Period, the Company announces that it will release earnings results during the 15-day period following the last day of the initial Market Stand-Off Period, then in each case the Market Stand-Off Period will be automatically extended until the expiration of the 18-day period beginning on the date of release of the earnings results or the announcement of the material news or material event; or (B) such other period as shall be requested by the Company or the underwriters. Notwithstanding anything herein to the contrary, if the underwriter(s) and the Company agree on a termination date of the Market Stand-Off Period in the event of failure to consummate a certain public offering, then such termination shall apply also to the Market Stand-Off Period hereunder with respect to that particular public offering.

17.2. In the event of a subdivision of the outstanding share capital of the Company, the distribution of any securities (whether or not of the Company), whether as bonus shares or otherwise, and whether as dividend or otherwise, a recapitalization, a reorganization (which may include a combination or exchange of shares or a similar transaction affecting the Company's outstanding securities without receipt of consideration), a consolidation, a spin-off or other corporate divestiture or division, a reclassification or other similar occurrence, any new, substituted or additional securities which are by reason of such transaction distributed with respect to any Shares subject to the Market Stand-Off, or into which such Shares thereby become convertible, shall immediately be subject to the Market Stand-Off.

17.3. In order to enforce the Market Stand-Off, the Company may impose stop-transfer instructions with respect to the Shares acquired under this Plan until the end of the applicable Market Stand-Off period.

17.4. The underwriters in connection with a registration statement so filed are intended third party beneficiaries of this Section 17 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Grantee shall execute such separate agreement(s) as may be requested by the Company or the underwriters in connection with such registration statement and in the form required by them, relating to Market Stand-Off (which need not be identical to the provisions of this Section 17, and may include such additional provisions and restrictions as the underwriters deem advisable) or that are necessary to give further effect thereto. The execution of such separate agreement(s) may be a condition by the Company to the exercise of any Award.

17.5. Without derogating from the above provisions of this Section 17 or elsewhere in this Plan, the provisions of this Section 17 shall apply to the Grantee and the Grantee's heirs, legal representatives, successors, assigns, and to any purchaser, assignee or transferee of any Awards or Shares.

18. AGREEMENT REGARDING TAXES; DISCLAIMER.

18.1. If the Company shall so require, as a condition of exercise or (if applicable) vesting of an Award, the release of Shares by the Trustee or the vesting or settlement of an Award, a Grantee shall agree that, no later than the date of such occurrence, the Grantee will pay to the Company (or the Trustee, as applicable) or make arrangements satisfactory to the Company and the Trustee (if applicable) regarding payment of any applicable taxes and compulsory payments of any kind required by Applicable Law to be withheld or paid.

18.2. TAX LIABILITY. ALL TAX CONSEQUENCES UNDER ANY APPLICABLE LAW WHICH MAY ARISE FROM THE GRANT OF ANY AWARDS OR THE EXERCISE OR (IF APPLICABLE) VESTING THEREOF, THE SALE OR DISPOSITION OF ANY SHARES GRANTED HEREUNDER OR ISSUED UPON EXERCISE OR (IF APPLICABLE) THE VESTING OF ANY AWARD, THE ASSUMPTION, SUBSTITUTION, CANCELLATION OR PAYMENT IN LIEU OF AWARDS OR FROM ANY OTHER ACTION IN CONNECTION WITH THE FOREGOING (INCLUDING WITHOUT LIMITATION ANY TAXES AND COMPULSORY PAYMENTS, SUCH AS SOCIAL SECURITY OR HEALTH TAX PAYABLE BY THE GRANTEE OR THE COMPANY IN CONNECTION THEREWITH) SHALL BE BORNE AND PAID SOLELY BY THE GRANTEE, AND THE GRANTEE SHALL INDEMNIFY THE COMPANY, ITS SUBSIDIARIES AND AFFILIATES AND THE TRUSTEE, AND SHALL HOLD THEM HARMLESS AGAINST AND FROM ANY LIABILITY FOR ANY SUCH TAX OR PAYMENT OR ANY PENALTY, INTEREST OR INDEXATION THEREON. EACH GRANTEE AGREES TO, AND UNDERTAKES TO COMPLY WITH, ANY RULING, SETTLEMENT, CLOSING AGREEMENT OR OTHER SIMILAR AGREEMENT OR ARRANGEMENT WITH ANY TAX AUTHORITY IN CONNECTION WITH THE FOREGOING WHICH IS APPROVED BY THE COMPANY.

18.3. NO TAX ADVICE. THE GRANTEE IS ADVISED TO CONSULT WITH A TAX ADVISOR WITH RESPECT TO THE TAX CONSEQUENCES OF RECEIVING, EXERCISING OR DISPOSING OF AWARDS HEREUNDER. THE COMPANY DOES NOT ASSUME ANY RESPONSIBILITY TO ADVISE THE GRANTEE ON SUCH MATTERS, WHICH SHALL REMAIN SOLELY THE RESPONSIBILITY OF THE GRANTEE.

18.4. TAX TREATMENT. THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) DO NOT UNDERTAKE OR ASSUME ANY LIABILITY OR RESPONSIBILITY TO THE EFFECT THAT ANY AWARD SHALL QUALIFY WITH ANY PARTICULAR TAX REGIME OR RULES APPLYING TO PARTICULAR TAX TREATMENT, OR BENEFIT FROM ANY PARTICULAR TAX TREATMENT OR TAX ADVANTAGE OF ANY TYPE AND THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) SHALL BEAR NO LIABILITY IN CONNECTION WITH THE MANNER IN WHICH ANY AWARD IS EVENTUALLY TREATED FOR TAX PURPOSES, REGARDLESS OF WHETHER THE AWARD WAS GRANTED OR WAS INTENDED TO QUALIFY UNDER ANY PARTICULAR TAX REGIME OR TREATMENT. THIS PROVISION SHALL SUPERSEDE ANY TYPE OF AWARDS OR TAX QUALIFICATION INDICATED IN ANY CORPORATE RESOLUTION OR AWARD AGREEMENT, WHICH SHALL AT ALL TIMES BE SUBJECT TO THE REQUIREMENTS OF APPLICABLE LAW. THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) DO NOT UNDERTAKE AND SHALL NOT BE REQUIRED TO TAKE ANY ACTION IN ORDER TO QUALIFY ANY AWARD WITH THE REQUIREMENT OF ANY PARTICULAR TAX TREATMENT AND NO INDICATION IN ANY DOCUMENT TO THE EFFECT THAT ANY AWARD IS INTENDED TO QUALIFY FOR ANY TAX TREATMENT SHALL IMPLY SUCH AN UNDERTAKING. THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) DO NOT UNDERTAKE TO REPORT FOR TAX PURPOSES ANY AWARD IN ANY PARTICULAR MANNER, INCLUDING IN ANY MANNER CONSISTENT WITH ANY PARTICULAR TAX TREATMENT. NO ASSURANCE IS MADE BY THE COMPANY OR ANY OF ITS AFFILIATES (INCLUDING THE EMPLOYER) THAT ANY PARTICULAR TAX TREATMENT ON THE DATE OF GRANT WILL CONTINUE TO EXIST OR THAT THE AWARD WOULD QUALIFY AT THE TIME OF EXERCISE, VESTING OR DISPOSITION THEREOF WITH ANY PARTICULAR TAX TREATMENT. THE COMPANY AND ITS AFFILIATES (INCLUDING THE EMPLOYER) SHALL NOT HAVE ANY LIABILITY OR OBLIGATION OF ANY NATURE IN THE EVENT THAT AN AWARD DOES NOT QUALIFY FOR ANY PARTICULAR TAX TREATMENT, REGARDLESS WHETHER THE COMPANY COULD HAVE OR SHOULD HAVE TAKEN ANY ACTION TO CAUSE SUCH QUALIFICATION TO BE MET AND SUCH QUALIFICATION REMAINS AT ALL TIMES AND UNDER ALL CIRCUMSTANCES AT THE RISK OF THE GRANTEE. THE COMPANY DOES NOT UNDERTAKE OR ASSUME ANY LIABILITY TO CONTEST A DETERMINATION OR INTERPRETATION (WHETHER WRITTEN OR UNWRITTEN) OF ANY TAX AUTHORITIES, INCLUDING IN RESPECT OF THE QUALIFICATION UNDER ANY PARTICULAR TAX REGIME OR RULES APPLYING TO PARTICULAR TAX TREATMENT. IF THE AWARDS DO NOT QUALIFY UNDER ANY PARTICULAR TAX TREATMENT IT COULD RESULT IN ADVERSE TAX CONSEQUENCES TO THE GRANTEE.

18.5. The Company or any Subsidiary or other Affiliate thereof (including the Employer) may take such action as it may deem necessary or appropriate, in its discretion, for the purpose of or in connection with withholding of any taxes and compulsory payments which the Trustee, the Company or any Subsidiary or other Affiliate thereof (including the Employer) (or any applicable agent thereof) is required by any Applicable Law to withhold in connection with any Awards, including, without limitations, any income tax, social benefits, social insurance, health tax, pension, payroll tax, fringe benefits, excise tax, payment on account or other tax-related items related to the Participant's participation in the Plan and applicable by law to the Participant (collectively, "Withholding Obligations"). Such actions may include (i) requiring a Grantees to remit to the Company or the Employer in cash an amount sufficient to satisfy such Withholding Obligations and any other taxes and compulsory payments, payable by the Company or the Employer in connection with the Award or the exercise or (if applicable) the vesting thereof; (ii) subject to Applicable Law, allowing the Grantees to surrender Shares to the Company, in an amount that at such time, reflects a value that the Committee determines to be sufficient to satisfy such Withholding Obligations; (iii) withholding Shares otherwise issuable upon the exercise of an Award at a value which is determined by the Company to be sufficient to satisfy such Withholding Obligations; (iv) allowing Grantees to satisfy all or part of the Withholding Obligations by the delivery (on a form prescribed by the Company) of an irrevocable direction to a securities broker approved by the Company to sell Shares and to deliver all or part of the sales proceeds to the Company or the Trustee; or (iv) any combination of the foregoing. The Company shall not be obligated to allow the exercise or vesting of any Award by or on behalf of a Grantee until all tax consequences arising therefrom are resolved in a manner acceptable to the Company.

18.6. Each Grantee shall notify the Company in writing promptly and in any event within ten (10) days after the date on which such Grantee first obtains knowledge of any tax authority inquiry, audit, assertion, determination, investigation, or question relating in any manner to the Awards granted or received hereunder or Shares issued thereunder and shall continuously inform the Company of any developments, proceedings, discussions and negotiations relating to such matter, and shall allow the Company and its representatives to participate in any proceedings and discussions concerning such matters. Upon request, a Grantee shall provide to the Company any information or document relating to any matter described in the preceding sentence, which the Company, in its discretion, requires.

18.7. With respect to 102 Non-Trustee Options, if the Grantee ceases to be employed by the Company, Parent, Subsidiary or any Affiliate (including the Employer), the Grantee shall extend to the Company and/or the Employer a security or guarantee for the payment of taxes due at the time of sale of Shares, all in accordance with the provisions of Section 102 of the Ordinance and the Rules.

18.8. If a Grantee makes an election under Section 83(b) of the Code to be taxed with respect to an Award as of the date of transfer of Shares rather than as of the date or dates upon which the Grantee would otherwise be taxable under Section 83(a) of the Code, such Grantee shall deliver a copy of such election to the Company upon or prior to the filing such election with the U.S. Internal Revenue Service. Neither the Company nor any Affiliate (including the Employer) shall have any liability or responsibility relating to or arising out of the filing or not filing of any such election or any defects in its construction.

19. RIGHTS AS A SHAREHOLDER; VOTING AND DIVIDENDS.

19.1. Subject to Section 11.4, a Grantee shall have no rights as a shareholder of the Company with respect to any Shares covered by an Award until the Grantee shall have exercised or (as applicable) vests in the Award, paid any Exercise Price therefor and becomes the record holder of the subject Shares. In the case of 102 Awards, the Trustee shall have no rights as a shareholder of the Company with respect to the Shares covered by such Award until the Trustee becomes the record holder for such Shares for the Grantee's benefit, and the Grantee shall not be deemed to be a shareholder and shall have no rights as a shareholder of the Company with respect to the Shares covered by the Award until the date of the release of such Shares from the Trustee to the Grantee and the transfer of record ownership of such Shares to the Grantee (provided, however, that the Grantee shall be entitled to receive from the Trustee any cash dividend or distribution made on account of the Shares held by the Trustee for such Grantee's benefit, subject to any tax withholding and compulsory payment). No adjustment shall be made for dividends (ordinary or extraordinary, whether in shares or other securities, cash or other property, or rights, or any combination thereof) or distribution of other rights for which the record date is prior to the date on which the Grantee or Trustee (as applicable) becomes the record holder of the Shares covered by an Award, except as provided in Section 14 hereof.

19.2. With respect to all Awards issued in the form of Shares hereunder or upon the exercise or (if applicable) the vesting of Awards hereunder, any and all voting rights attached to such Shares shall be subject to Section 6.10, and the Grantee shall be entitled to receive dividends distributed with respect to such Shares, subject to the provisions of the Company's Articles of Association, as amended from time to time, and subject to any Applicable Law.

19.3. The Company may, but shall not be obligated to, register or qualify the sale of Shares under any applicable securities law or any other Applicable Law.

20. NO REPRESENTATION BY COMPANY.

By granting the Awards, the Company is not, and shall not be deemed as, making any representation or warranties to the Grantee regarding the Company, its business affairs, its prospects or the future value of its Shares and such representations and warranties are hereby disclaimed. The Company shall not be required to provide to any Grantee any information, documents or material in connection with the Grantee's considering an exercise of an Award. To the extent that any information, documents or materials are provided, the Company shall have no liability with respect thereto. Any decision by a Grantee to exercise an Award shall solely be at the risk of the Grantee.

21. NO RETENTION RIGHTS.

Nothing in this Plan, any Award Agreement or in any Award granted or agreement entered into pursuant hereto shall confer upon any Grantee the right to continue in the employ of, or be in the service of the Company or any Subsidiary or other Affiliate thereof as a Service Provider or to be entitled to any remuneration or benefits not set forth in this Plan or such agreement, or to interfere with or limit in any way the right of the Company or any such Subsidiary or other Affiliate thereof to terminate such Grantee's employment or service (including, any right of the Company or any of its Affiliates to immediately cease the Grantee's employment or service or to shorten all or part of the notice period, regardless of whether notice of termination was given by the Company or its Affiliates or by the Grantee). Awards granted under this Plan shall not be affected by any change in duties or position of a Grantee, subject to Sections 6.6 through 6.8. No Grantee shall be entitled to claim and the Grantee hereby waives any claim against the Company or any Subsidiary or other Affiliate thereof that he or she was prevented from continuing to vest Awards as of the date of termination of his or her employment with, or services to, the Company or any Subsidiary or other Affiliate thereof. No Grantee shall be entitled to any compensation in respect of the Awards which would have vested had such Grantee's employment or engagement with the Company (or any Subsidiary or other Affiliate thereof) not been terminated.

22. PERIOD DURING WHICH AWARDS MAY BE GRANTED.

Awards may be granted pursuant to this Plan from time to time within a period of ten (10) years from the Effective Date, which period may be extended from time to time by the Board. From and after such date (as extended) no grants of Awards may be made and this Plan shall continue to be in full force and effect with respect to Awards or Shares issued thereunder that remain outstanding.

23. AMENDMENT OF THIS PLAN AND AWARDS.

23.1. The Board at any time and from time to time may suspend, terminate, modify or amend this Plan, whether retroactively or prospectively. Any amendment effected in accordance with this Section shall be binding upon all Grantees and all Awards, whether granted prior to or after the date of such amendment, and without the need to obtain the consent of any Grantee. No termination or amendment of this Plan shall affect any then outstanding Award unless expressly provided by the Board.

23.2. Subject to changes in Applicable Law that would permit otherwise, without the approval of the Company's shareholders, there shall be (i) no increase in the maximum aggregate number of Shares that may be issued under this Plan as Incentive Stock Options (except by operation of the provisions of Section 14.1), (ii) no change in the class of persons eligible to receive Incentive Stock Options, and (iii) no other amendment of this Plan that would require approval of the Company's shareholders under any Applicable Law. Unless not permitted by Applicable Law, if the grant of an Award is subject to approval by shareholders, the date of grant of the Award shall be determined as if the Award had not been subject to such approval. Failure to obtain approval by the shareholders shall not in any way derogate from the valid and binding effect of any grant of an Award that is not an Incentive Stock Option.

23.3. The Board or the Committee at any time and from time to time may modify or amend any Award theretofore granted, including any Award Agreement, whether retroactively or prospectively.

24. APPROVAL.

24.1. This Plan shall take effect upon its adoption by the Board (the "Effective Date").

24.2. Solely with respect to grants of Incentive Stock Options, this Plan shall also be subject to shareholders' approval, within one year of the Effective Date, by a majority of the votes cast on the proposal at a meeting or a written consent of shareholders (however, if the grant of an Award is subject to approval by shareholders, the date of grant of the Award shall be determined as if the Award had not been subject to such approval). Failure to obtain such approval by the shareholders within such period shall not in any way derogate from the valid and binding effect of any grant of an Award, except that any Options previously granted under this Plan may not qualify as Incentive Stock Options but, rather, shall constitute Nonqualified Stock Options. Upon approval of this Plan by the shareholders of the Company as set forth above, all Incentive Stock Options granted under this Plan on or after the Effective Date shall be fully effective as if the shareholders of the Company had approved this Plan on the Effective Date.

24.3. 102 Awards are conditional upon the filing with or approval by the ITA, if required, as set forth in Section 9.4. Failure to so file or obtain such approval shall not in any way derogate from the valid and binding effect of any grant of an Award, which is not a 102 Award.

25. RULES PARTICULAR TO SPECIFIC COUNTRIES; SECTION 409A.

25.1. Notwithstanding anything herein to the contrary, the terms and conditions of this Plan may be supplemented or amended with respect to a particular country or tax regime by means of an appendix to this Plan, and to the extent that the terms and conditions set forth in any appendix conflict with any provisions of this Plan, the provisions of such appendix shall govern. Terms and conditions set forth in such appendix shall apply only to Awards granted to Grantees under the jurisdiction of the specific country or such other tax regime that is the subject of such appendix and shall not apply to Awards issued to a Grantee not under the jurisdiction of such country or such other tax regime. The adoption of any such appendix shall be subject to the approval of the Board or the Committee, and if determined by the Committee to be required in connection with the application of certain tax treatment, pursuant to applicable stock exchange rules or regulations or otherwise, then also the approval of the shareholders of the Company at the required majority.

25.2. This Section 25.2 shall only apply to Awards granted to Grantees who are subject to United States Federal income tax.

25.2.1 It is the intention of the Company that no Award shall be deferred compensation subject to Section 409A of the Code unless and to the extent that the Committee specifically determines otherwise as provided in Section 25.2.2, and the Plan and the terms and conditions of all Awards shall be interpreted and administered accordingly.

25.2.2 The terms and conditions governing any Awards that the Committee determines will be subject to Section 409A of the Code, including any rules for payment or elective or mandatory deferral of the payment or delivery of Shares or cash pursuant thereto, and any rules regarding treatment of such Awards in the event of a Change in Control, shall be set forth in the applicable Award Agreement and shall be intended to comply in all respects with Section 409A of the Code, and the Plan and the terms and conditions of such Awards shall be interpreted and administered accordingly.

25.2.3 The Company shall have complete discretion to interpret and construe the Plan and any Award Agreement in any manner that establishes an exemption from (or compliance with) the requirements of Section 409A of the Code. If for any reason, such as imprecision in drafting, any provision of the Plan and/or any Award Agreement does not accurately reflect its intended establishment of an exemption from (or compliance with) Section 409A of the Code, as demonstrated by consistent interpretations or other evidence of intent, such provision shall be considered ambiguous as to its exemption from (or compliance with) Section 409A of the Code and shall be interpreted by the Company in a manner consistent with such intent, as determined in the discretion of the Company. If, notwithstanding the foregoing provisions of this Section 25.2.3, any provision of the Plan or any such agreement would cause a Grantee to incur any additional tax or interest under Section 409A of the Code, the Company may reform such provision in a manner intended to avoid the incurrence by such Grantee of any such additional tax or interest; provided that the Company shall maintain, to the extent reasonably practicable, the original intent and economic benefit to the Grantee of the applicable provision without violating the provisions of Section 409A of the Code. For the avoidance of doubt, no provision of this Plan shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A from any Grantee or any other individual to the Company or any of its affiliates, employees or agents.

25.2.4 Notwithstanding any other provision in the Plan, any Award Agreement, or any other written document establishing the terms and conditions of an Award, if any Grantee is a "specified employee," within the meaning of Section 409A of the Code, as of the date of his or her "separation from service" (as defined under Section 409A of the Code), then, to the extent required by Treasury Regulation Section 1.409A-3(i)(2) (or any successor provision), any payment made to such Grantee on account of his or her separation from service shall not be made before a date that is six months after the date of his or her separation from service. The Committee may elect any of the methods of applying this rule that are permitted under Treasury Regulation Section 1.409A-3(i)(2)(ii) (or any successor provision).

25.2.5 Notwithstanding any other provision of this Section 25.2 to the contrary, although the Company intends to administer the Plan so that Awards will be exempt from, or will comply with, the requirements of Section 409A of the Code, the Company does not warrant that any Award under the Plan will qualify for favorable tax treatment under Section 409A of the Code or any other provision of federal, state, local, or non-United States law. The Company shall not be liable to any Grantee for any tax, interest, or penalties the Grantee might owe as a result of the grant, holding, vesting, exercise, or payment of any Award under the Plan.

26. GOVERNING LAW; JURISDICTION.

This Plan and all determinations made and actions taken pursuant hereto shall be governed by the laws of the State of Israel, except with respect to matters that are subject to tax laws, regulations and rules of any specific jurisdiction, which shall be governed by the respective laws, regulations and rules of such jurisdiction. Certain definitions, which refer to laws other than the laws of such jurisdiction, shall be construed in accordance with such other laws. The competent courts located in Tel-Aviv-Jaffa, Israel shall have exclusive jurisdiction over any dispute arising out of or in connection with this Plan and any Award granted hereunder. By signing any Award Agreement or any other agreement relating to an Award, each Grantee irrevocably submits to such exclusive jurisdiction.

27. NON-EXCLUSIVITY OF THIS PLAN.

The adoption of this Plan shall not be construed as creating any limitations on the power or authority of the Company to adopt such other or additional incentive or other compensation arrangements of whatever nature as the Company may deem necessary or desirable or preclude or limit the continuation of any other plan, practice or arrangement for the payment of compensation or fringe benefits to employees generally, or to any class or group of employees, which the Company or any Affiliate now has lawfully put into effect, including any retirement, pension, savings and stock purchase plan, insurance, death and disability benefits and executive short-term or long-term incentive plans.

28. MISCELLANEOUS.

28.1. Survival. The Grantee shall be bound by and the Shares issued upon exercise or (if applicable) the vesting of any Awards granted hereunder shall remain subject to this Plan after the exercise or (if applicable) the vesting of Awards, in accordance with the terms of this Plan, whether or not the Grantee is then or at any time thereafter employed or engaged by the Company or any of its Affiliates.

28.2. Additional Terms. Each Award awarded under this Plan may contain such other terms and conditions not inconsistent with this Plan as may be determined by the Committee, in its sole discretion.

28.3. Fractional Shares. No fractional Share shall be issuable upon exercise or vesting of any Award and the number of Shares to be issued shall be rounded down to the nearest whole Share, with in any Share remaining at the last vesting date due to such rounding to be issued upon exercise at such last vesting date.

28.4. Severability. If any provision of this Plan, any Award Agreement or any other agreement entered into in connection with an Award shall be determined to be illegal or unenforceable by any court of law in any jurisdiction, the remaining provisions hereof and thereof shall be severable and enforceable in accordance with their terms, and all provisions shall remain enforceable in any other jurisdiction. In addition, if any particular provision contained in this Plan, any Award Agreement or any other agreement entered into in connection with an Award shall for any reason be held to be excessively broad as to duration, geographic scope, activity or subject, it shall be construed by limiting and reducing such provision as to such characteristic so that the provision is enforceable to fullest extent compatible with Applicable Law as it shall then appear.

28.5. Captions and Titles. The use of captions and titles in this Plan or any Award Agreement or any other agreement entered into in connection with an Award is for the convenience of reference only and shall not affect the meaning or interpretation of any provision of this Plan or such agreement.

28.6. Prohibition on Executive Officer Loans. Notwithstanding any other provision of the Plan to the contrary, no Grantee who is a member of the Board or an "executive officer" of the Company within the meaning of Section 13(k) of the Exchange Act shall be permitted to make payment with respect to any Awards granted under the Plan, or continue any extension of credit with respect to such payment, with a loan from the Company or a loan arranged by the Company in violation of Section 13(k) of the Exchange Act.

28.7. Clawback Provisions. All Awards (including the gross amount of any proceeds, gains or other economic benefit the Grantee actually or constructively receives upon receipt or exercise of any Award or the receipt or resale of any Shares underlying the Award) will be subject to recoupment by the Company to the extent required to comply with Applicable Law or any policy of the Company (subject to Applicable Law) providing for the reimbursement of incentive compensation, whether or not such policy was in place at the time of grant of an Award.

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Exhibit 10.7

COMPENSATION POLICY

GAMIDA CELL LTD.

Compensation Policy for Executive Officers and Directors

(As Adopted by the Shareholders on October 19, 2023)

A. Overview and Objectives

1. **Introduction**

This document sets forth the Compensation Policy for Executive Officers and Directors (this "**Compensation Policy**" or "**Policy**") of Gamida Cell Ltd. ("**Gamida**" or the "**Company**"), in accordance with the requirements of the Companies Law, 5759-1999 (the "**Companies Law**").

Compensation is a key component of Gamida's overall human capital strategy to attract, retain, reward, and motivate highly skilled individuals that will enhance Gamida's value and otherwise assist Gamida to reach its long-term goals. Accordingly, the structure of this Policy is established to tie the compensation of each officer to Gamida's goals and performance.

For purposes of this Policy, "**Executive Officers**" shall mean "**Office Holders**" as such term is defined in Section 1 of the Companies Law, excluding, unless otherwise expressly indicated herein, Gamida's directors.

This policy is subject to applicable law and is not intended, and should not be interpreted as limiting or derogating from, provisions of applicable law to the extent not permitted.

This Policy shall apply to compensation agreements and arrangements which will be approved after the date on which this Policy is approved by the shareholders of Gamida and shall serve as Gamida's Compensation Policy for the maximum period of time permitted by any applicable law, commencing as of the effective date of its approval.

The Compensation Committee and the Board of Directors of Gamida (the "**Board**") shall review and reassess the adequacy of this Policy from time to time, as required by the Companies Law.

2. **Objectives**

Gamida's objectives and goals in setting this Policy are to attract, motivate and retain highly experienced leaders who will contribute to Gamida's success and enhance shareholder value, while demonstrating professionalism in a highly achievement-oriented culture that is based on merit and rewards excellent performance in the long term, and embedding Gamida's core values as part of a motivated behavior. To that end, this Policy is designed, among others:

2.1. To closely align the interests of the Executive Officers with those of Gamida's shareholders in order to enhance shareholder value;

2.2. To align a significant portion of the Executive Officers' compensation with Gamida's short and long-term goals and performance;

2.3. To provide the Executive Officers with a structured compensation package, including competitive salaries, performance-motivating cash and equity incentive programs and benefits, and to be able to present to each Executive Officer an opportunity to advance in a growing organization;

2.4. To strengthen the retention and the motivation of Executive Officers in the long term;

2.5. To provide appropriate awards in order to incentivize superior individual excellency and corporate performance; and

2.6. To maintain consistency in the way Executive Officers are compensated.

This Compensation Policy was prepared taking into account the Company's nature, size and business and financial characteristics.

3. **Compensation Instruments**

Compensation instruments under this Policy may include the following:

3.1. Base salary;

3.2. Benefits;

3.3. Cash bonuses (short-to-medium term incentive);

3.4. Equity based compensation (medium-to-long term incentive); and

3.5. Retirement and termination terms.

4. **Overall Compensation - Ratio Between Fixed and Variable Compensation**

4.1. This Policy aims to balance the mix of "**Fixed Compensation**" (comprised of base salary and benefits) and "**Variable Compensation**" (comprised of cash bonuses and equity based compensation, which are based on the fair value on the date of grant, calculated annually, on a linear basis, excluding adjustment period/retirement bonuses, granted in accordance with section 16 below) in order to, among others, appropriately incentivize Executive Officers to meet Gamida's short and long term goals while taking into consideration the Company's need to manage a variety of business risks.

4.2. The total Variable Compensation of each Executive Officer shall not exceed 90% of the total compensation package of such Executive Officer on an annual basis. The Board believes that such range expresses the appropriate compensation mix in the event that all performance objectives are achieved and assumes that all compensation elements are granted with respect to a given year.

4.3. It should be clarified, that the Fixed Compensation may constitute 100% of the total compensation package for an Executive Officer in any year (under circumstances in which a variable component will not be approved for that year and/or in the event of a failure to meet the set goals, if and when determined).

5. **Inter-Company Compensation Ratio**

5.1. In the process of drafting this Policy, Gamida's Board and Compensation Committee have examined the ratio between employer cost associated with the engagement of the Executive Officers (the "**Executive Officers Cost**"), including directors, and the average and median employer cost associated with the engagement of Gamida's other employees, including contractor employees as defined in the Companies Law (the "**Other Employees Cost**" and the "**Ratio**", respectively).

5.2. The Board believes that the current Ratio does not adversely impact the work environment in Gamida. The possible ramifications of the Ratio on the daily working environment in Gamida were examined and will continue to be examined by Gamida from time to time in order to ensure that levels of executive compensation, as compared to the overall workforce will not have a negative impact on work relations in Gamida.

B. <u>Base Salary Benefits</u>

6. **Base Salary**

6.1. A Base Salary provides stable compensation to Executive Officers and allows Gamida to attract and retain competent executive talent and maintain a stable management team. The base salary varies among Executive Officers, and is individually determined according to the educational background, prior vocational experience, qualifications, company's role, business responsibilities and the past performance of each Executive Officer.

6.2. Since a competitive base salary is essential to Gamida's ability to attract and retain highly skilled professionals, Gamida will seek to establish a base salary that is competitive with base salaries paid to Executive Officers in a peer group of companies relevant to Gamida's field of business, while considering, among others, Gamida's size and field of operation and the geographical location of the employed Executive Officer, the list of which shall be reviewed and approved by the Compensation Committee. To that end, Gamida shall utilize as a reference, comparative market data and practices, which may include among others a compensation survey that compares and analyses the level of the overall compensation package offered to an Executive Officer of the Company with compensation packages in similar positions to that of the relevant Executive Officer in other companies operating in business sectors that are similar in their characteristics to Gamida's, as much as possible, while considering, among others, such companies' size and characteristics including their revenues, profitability rate, number of employees and operating arena (in Israel or globally). Such compensation survey may be conducted internally or through an external consultant.

6.3. The Compensation Committee and the Board may periodically consider and approve base salary adjustments for Executive Officers. The main considerations for salary adjustment are similar to those used in initially determining the base salary, but may also include among others, educational background, prior vocational experience, expertise and qualifications, change of role, business authorities and responsibilities, past performance and previous compensation arrangements with such Executive Officer, recognition for professional achievements, regulatory or contractual requirements, budgetary constraints or market trends. The Compensation Committee and the Board will also consider the previous and existing compensation arrangements of the Executive Officer whose base salary is being considered for adjustment. When determining the Base Salary, the Company may also decide to consider, at the sole discretion of the Compensation Committee and the Board and as required, the prevailing pay levels in the relevant market, Base Salary and the total compensation package of comparable Executive Officers in the Company, the proportion between the Executive Officer's compensation package and the salaries of other employees in the Company and specifically the median and average salaries and the effect of such proportions on the work relations in the Company. Any limitation herein based on the annual base salary shall be calculated based on the monthly base salary applicable at the time of consideration of the respective grant or benefit.

7. **Benefits**

7.1. In addition to the Base Salary, the following benefits may be granted to the Executive Officers (subject to any applicable approval procedures), in order, among other things, to comply with legal requirements. It shall be clarified, that the list below is an open list and Gamida (subject to the applicable required approvals) may grant to its Executive Officers other similar, comparable or customary benefits, subject to the applicable law.

7.1.1. Vacation days in accordance with market practice and the applicable law up to a cap of 30 days per annum;

7.1.2. Sick days in accordance with market practice and the applicable law; However, the Company may decide to cover sick days from the first day;

7.1.3. Convalescence pay according to applicable law;

7.1.4. Medical Insurance in accordance with market practice and the applicable law;

7.1.5. With respect to Executive Officers employed in Israel, Monthly remuneration for a study fund, as allowed by applicable law and with reference to Gamida's practice and the common market practice;

7.1.6. Gamida shall contribute on behalf of the Executive Officer to an managers' insurance policy or a pension fund, as allowed by applicable law and with reference to Gamida's policies and procedures and the common market practice; and

7.1.7. Gamida shall contribute on behalf of the Executive Officer towards work disability insurance, as allowed by applicable law and with reference to Gamida's policies and procedures and to the common market practice.

7.2. Non-Israeli Executive Officers may receive other similar, comparable or customary benefits as applicable in the relevant jurisdiction in which they are employed. Such customary benefits shall be determined based on the methods described in Section 6.2 of this Policy (with the necessary changes).

7.3. In the event of relocation of an Executive Officer to another geography, such Executive Officer may receive other similar, comparable or customary benefits as applicable in the relevant jurisdiction in which he or she is employed. Such benefits may include reimbursement for out of pocket one-time payments and other ongoing expenses, such as housing allowance, car allowance, and home leave visit, etc.

7.4. Gamida may offer additional benefits to its Executive Officers, which will be comparable to customary market practices, including but not limited to: cellular and land line phone benefits, company car and travel benefits, reimbursement of business travel including a daily stipend when traveling and other business related expenses, insurances, other benefits (such as newspaper subscriptions, academic and professional studies), etc., provided, however, that such additional benefits shall be determined in accordance with Gamida's policies and procedures.

7.5. Gamida may reimburse its Executive Officers for reasonable work-related expenses incurred as part of their activities, including without limitations, meeting participation expenses, reimbursement of business travel, including a daily stipend when traveling and accommodation expenses.

7.6. At the discretion of the Compensation Committee and the Board (and with respect to the CEO- also the Company's general meeting of shareholders), Gamida may grant a newly recruited Executive Officer a signing bonus. Such bonus may be granted in cash, equity or a combination of both. The signing bonus will not exceed: (1) 50% of such Executive Officer's annual Base Salary, if the signing bonus is granted in cash; (2) 100% of such Executive Officer's annual Base Salary, if the signing bonus is granted by equity; (3) In case the signing bonus is a combination of cash and equity, its limit shall be proportional to the cash and equity components, calculated in accordance with the ratios mentioned in sections (1) and (2) above.

C. Cash Bonuses

8. **Annual Cash Bonuses – The Objective**

8.1. The Company (subject to the approvals of the Compensation Committee and the Board, and with respect to the CEO- also the Company's general meeting of shareholders) may grant cash bonuses to its Executive Officers on a quarterly or annually basis, or on a shorter or longer period basis, in accordance with the principles detailed below.

8.2. Compensation in the form of an annual cash bonus is an important element in aligning the Executive Officers' compensation with Gamida's objectives and business goals. Therefore, annual cash bonuses will reflect a pay-for-performance element, with payout eligibility and levels determined based on actual financial and operational results, in addition to other factors that the Compensation Committee may determine, including as well as individual performance.

8.3. An annual cash bonus may be awarded to Executive Officers upon the attainment of pre-set periodical objectives and individual targets determined by the Compensation Committee (and, if required by law, by the Board) at the beginning of each calendar year, or upon engagement, in case of newly hired Executive Officers, taking into account Gamida's short and long-term goals, as well as its compliance and risk management policies. The Compensation Committee and the Board may also determine any applicable minimum thresholds that must be met for entitlement to the annual cash bonus (all or any portion thereof) and the formula for calculating any annual cash bonus payout, with respect to each calendar year, for each Executive Officer. In special circumstances, as determined by the Compensation Committee and the Board (e.g., regulatory changes, significant changes in Gamida's business environment, a significant organizational change and a significant merger and acquisition events), the Compensation Committee and the Board may modify the objectives and/or their relative weights during the calendar year or may modify payouts following the conclusion of the fiscal year.

8.4. In the event the employment of an Executive Officer is terminated prior to the end of a fiscal year, the Company may pay such Executive Officer a full annual cash bonus or a prorated one. Such bonus will become due on the same scheduled date for annual cash bonus payments by the Company.

9. **Annual Cash Bonuses - The Formula**

Executive Officers other than the CEO

9.1. The annual cash bonus of Gamida's Executive Officers, other than the chief executive officer (the "**CEO**"), will be based on performance objectives and a discretionary evaluation of the Executive Officer's overall performance by the CEO and subject to minimum thresholds. The performance objectives will be recommended by Gamida's CEO and approved by the Compensation Committee (and, if required by law, by Gamida's Board) at the commencement of each calendar year (or upon engagement, in case of newly hired Executive Officers or in special circumstances as indicated in Section 8.3 above) on the basis of, but not limited to, company and individual objectives. Notwithstanding the above, the Company may determine that, with respect to any Executive Officer subordinated to the CEO, which does not serve as a director, a portion or all of his or her annual cash bonus will be based on the evaluation of the CEO.

9.2. The target annual cash bonus that an Executive Officer, other than the CEO, will be entitled to receive for any given calendar year, will not exceed 50% of such Executive Officer's annual base salary.

9.3. The maximum annual cash bonus including for overachievement performance that an Executive Officer, other than the CEO, will be entitled to receive for any given calendar year, will not exceed 100% of such Executive Officer's annual base salary.

CEO

9.4. The annual cash bonus of Gamida's CEO will be mainly based on performance measurable objectives and subject to minimum thresholds. Such performance measurable objectives will be determined annually by Gamida's Compensation Committee (and, if required by law, by Gamida's Board) at the commencement of each calendar year (or upon engagement, in case of newly hired CEO or in special circumstances as indicated in Section 8.3 above) on the basis of, but not limited to, company and personal objectives. These performance measurable objectives, which include the objectives and the weight to be assigned to each achievement in the overall evaluation, will be categorized as described below:

9.4.1. Between 40%-60% will be based on overall company performance measurable objectives;

9.4.2. Between 20%-50% will be based on goals set forth in the Company's annual operating plan and long-term plan;

9.4.3. The less significant part of the annual cash bonus granted to Gamida's CEO, and in any event not more than 25% of the annual cash bonus, may be based on a discretionary evaluation of the CEO's overall performance by the Compensation Committee and the Board.

9.5. The target annual cash bonus that the CEO will be entitled to receive for any given calendar year, will not exceed 100% of his or her annual base salary.

9.6. The maximum annual cash bonus including for overachievement performance that the CEO will be entitled to receive for any given calendar year, will not exceed 150% of his or her annual base salary.

10. **Other Bonuses**

10.1. Special Bonus. Gamida may grant its Executive Officers a special bonus as an award for special achievements (such as in connection with mergers and acquisitions, offerings, achieving target budget or business plan objectives under exceptional circumstances or special recognition in case of retirement) at the CEO's discretion for Executive Officers other than the CEO (and in the CEO's case, at the Compensation Committee's and the Board's discretion), subject to any additional approval as may be required by the Companies Law (the "**Special Bonus**"). The Special Bonus will not exceed 30% of the Executive Officer's total compensation package on an annual basis.

10.2. Signing Bonus. Gamida may grant a newly recruited Executive Officer a signing bonus at the CEO's discretion (and in the CEO's case, at the Compensation Committee's and the Board's discretion), subject to any additional approval as may be required by the Companies Law (the "**Signing Bonus**"). The Signing Bonus will not exceed three (3) monthly entry base salaries of the Executive Officer.

10.3. Relocation Bonus. Gamida may grant its Executive Officers a special bonus in the event of relocation of an Executive Officer to another geography (the "**Relocation Bonus**"). The Relocation bonus will include customary benefits associated with such relocation and its monetary value will not exceed 30% of the Executive Officer's annual base salary.

11. **Compensation Recovery ("Clawback")**

11.1. In the event of an accounting restatement, Gamida shall be entitled to recover from its Executive Officers the bonus compensation or the performance-based equity compensation in the amount in which such compensation exceeded what would have been paid under the financial statements, as restated ("**Compensation Recovery**"(, provided that a claim is made by Gamida prior to the third anniversary of fiscal year end of the restated financial statements.

11.2. Notwithstanding the aforesaid, the compensation recovery will not be triggered in the following events:

11.2.1. The financial restatement is required due to changes in the applicable financial reporting standards; or

11.2.2. The Compensation Committee has determined that Clawback proceedings in the specific case would be impossible, impractical or not commercially or legally efficient.

Nothing in this Section 11 derogates from any other "**Clawback**" or similar provisions regarding disgorging of profits imposed on Executive Officers by virtue of applicable securities laws or a separate contractual obligation or other Company policy.

D. Equity Based Compensation

12. **The Objective**

12.1. The equity-based compensation for Gamida's Executive Officers is designed in a manner consistent with the underlying objectives of the Company in determining the base salary and the annual cash bonus, with its main objectives being to enhance the alignment between the Executive Officers' interests with the long term interests of Gamida and its shareholders, and to strengthen the retention and the motivation of Executive Officers in the long term. In addition, since equity-based awards are structured to vest over several years, their incentive value to recipients is aligned with longer-term strategic plans.

12.2. The equity-based compensation offered by Gamida is intended to be in the form of share options and/or other equity based awards, such as RSUs, restricted shares, or performance share units, in accordance with the Company's equity incentive plan in place as may be updated from time to time.

12.3. All equity-based incentives granted to Executive Officers, other than performance-based incentives, shall be subject to vesting periods in order to promote long-term retention of the awarded Executive Officers. Unless determined otherwise in a specific award agreement or in a specific compensation plan approved by the Compensation Committee and the Board, grants to Executive Officers, other than the non-employee directors and performance-based incentives, shall vest gradually over a period of between three (3) to five (5) years. Performance based incentives shall vest upon the Executive Officer achieving of performance measurable objectives. The exercise price of options shall be determined in accordance with Gamida's policies, the main terms of which shall be disclosed in the annual report of Gamida.

12.4. All other terms of the equity awards shall be in accordance with Gamida's incentive plans and other related practices and policies. Accordingly, the Board may, following approval by the Compensation Committee, make modifications to such awards consistent with the terms of such incentive plans, including, to extend the period of time for which an award is to remain exercisable and make provisions with respect to the acceleration of the vesting period of any Executive Officer's awards, including, without limitation, in connection with a corporate transaction involving a change of control, subject to any additional approval as may be required by the Companies Law.

13. **General guidelines for the grant of awards**

13.1. The equity-based compensation shall be granted from time to time and be individually determined and awarded according to the performance, educational background, prior business experience, qualifications, role and the personal responsibilities of the Executive Officer.

13.2. In determining the equity-based compensation granted to each Executive Officer, the Compensation Committee and the Board shall consider the factors specified in Section 13.1 above, and in any event, the total fair market value of an annual equity-based compensation award at the time of grant (not including bonuses paid in equity in lieu of cash) shall not exceed: (i) with respect to the CEO, 250% of his or her annual base salary; and (ii) with respect to each of the other Executive Officers, 150% of his or her annual base salary.

13.3. The fair market value of the equity-based compensation for the Executive Officers will be determined by multiplying the number of shares underlying the grant by the market price of Gamida's ordinary shares on or around the time of the grant or according to other acceptable valuation practices at the time of grant, in each case, as determined by the Compensation Committee and the Board.

E. <u>Retirement and Termination of Service Arrangements</u>

14. **Advanced Notice Period**

14.1. Gamida may provide an Executive Officer, pursuant to an Executive Officer's employment agreement and according to the Company's decision per each case, a prior notice of termination of up to six (6) months, except for the CEO whose prior notice may be of up to twelve (12) months (the "**Advance Notice Period**"), during which the Executive Officer may be entitled to all of the compensation elements, and to the continuation of vesting of his/her equity awards.

14.2. During the Advance Notice Period, an Executive Officer will be required to keep performing his/her duties pursuant to his/her agreement with the Company, unless the Company has waived the Executive Officer's services to the Company during the Advance Notice Period and pay the amount payable in lieu of notice, plus the value of benefits.

15. **Adjustment Period**

Gamida may provide an additional adjustment period to an Executive Officer, other than the CEO, according to his/her seniority in the Company, his/her contribution to the Company's goals and achievements and the circumstances of retirement and to the CEO, during which the Executive Officer may be entitled to all of the compensation elements, and to the continuation of vesting of his/her options (the "**Additional Adjustment Period**"). The maximum adjustment period/retirement bonus that may be paid to each Executive Officer shall be up to six (6) month Base Salaries and may only be granted to Executive Officers who have served in the Company for at least one year.

16. **Additional Retirement and Termination Benefits**

Gamida may provide additional retirement and terminations benefits and payments as may be required by applicable law (e.g., mandatory severance pay under Israeli labor laws), or which will be comparable to customary market practices.

17. **Non-Compete Grant**

Upon termination of employment and subject to applicable law, Gamida may grant to its Executive Officers a non-compete grant as an incentive to refrain from competing with Gamida for a defined period of time. The terms and conditions of the Non-Compete grant shall be decided by the Board and shall not exceed such Executive Officer's monthly base salary multiplied by twelve (12). The Board shall consider the existing entitlements of the Executive Officer in connection with the consideration of any non-compete grant.

18. **Cap for Retirement and Termination of Service Arrangements**

The maximum non-statutory retirement and termination of service arrangements payments under Sections 14-17 above for any given Executive Officer will not exceed 200% of his or her annual base salary.

F. <u>Exculpation, Indemnification and Insurance</u>

19. **Exculpation**

Subject to the provisions of the Companies Law, the Company may releases, in advance, any director or Executive Officer from liability towards the Company for any damage that arises from the breach of the director or Executive Officer duty of care to the Company (within the meaning of such terms under Sections 252 and 253 of the Companies Law), other than breach of the duty of care towards the Company in a distribution (as such term is defined in the Companies Law).

20. **Insurance and Indemnification**

20.1. Gamida may indemnify its directors and Executive Officers to the fullest extent permitted by applicable law, for any liability and expense that may be imposed on the director or the Executive Officer, as provided in the Indemnity Agreement between such individuals and Gamida, all subject to applicable law and the Company's articles of association.

20.2. Gamida will provide directors' and officers' liability insurance (the "**Insurance Policy**") for its directors and Executive Officers as follows:

20.2.1. The limit of liability of the insurer shall not exceed the greater of $50 million or 25% of the Company's shareholders equity based on the most recent financial statements of the Company at the time of approval by the Compensation Committee; and

20.2.2. The Insurance Policy, as well as the limit of liability and the premium for each extension or renewal shall be approved by the Compensation Committee (and, if required by law, by the Board) which shall determine that the sums are reasonable considering Gamida's exposures, the scope of coverage and the market conditions and that the Insurance Policy reflects the current market conditions, and it shall not materially affect the Company's profitability, assets or liabilities.

20.3. Upon circumstances to be approved by the Compensation Committee (and, if required by law, by the Board), Gamida shall be entitled to enter into a "run off" Insurance Policy (the "**Run-Off Policy**" of up to seven (7) years, with the same insurer or any other insurance, as follows:

20.3.1. The limit of liability of the insurer shall not exceed the greater of $50 million or 25% of the Company's shareholders equity based on the most recent financial statements of the Company at the time of approval by the Compensation Committee;

20.3.2. The Run-Off Policy, as well as the limit of liability and the premium for each extension or renewal shall be approved by the Compensation Committee (and, if required by law, by the Board) which shall determine that the sums are reasonable considering the Company's exposures covered under such policy, the scope of cover and the market conditions, and that the Insurance Policy reflects the current market conditions and that it shall not materially affect the Company's profitability, assets or liabilities.

20.4. Gamida may extend the Insurance Policy in effect to include cover for liability pursuant to a future public offering of securities as follows:

20.4.1. The additional premium for such extension of liability coverage shall not exceed 50% of the last paid annual premium; and

20.4.2. The Insurance Policy, as well as the additional premium shall be approved by the Compensation Committee (and if required by law, by the Board) which shall determine that the sums are reasonable considering the exposures pursuant to such public offering of securities, the scope of cover and the market conditions and that the Insurance Policy reflects the current market conditions, and that it does not materially affect the Company's profitability, assets or liabilities.

G. Arrangements upon Change of Control

21. The following benefits may be granted to the Executive Officers (in addition, or in lieu of, to the benefits applicable in the case of any retirement or termination of service) upon or in connection with a "**Change of Control**", or, where applicable, in the event of a Change of Control following of which the employment of the Executive Officer is terminated or adversely adjusted in a material way:

21.1. Vesting acceleration of outstanding options, restricted shares, restricted share units (RSUs) and/or other equity based awards;

21.2. Extension of the exercising period of options, restricted shares, restricted share units (RSUs) and/or other equity based awards for Gamida's Executive Officer for a period of up to five (5) years, following the date of employment termination; and

21.3. Up to an additional six (6) months to the additional adjustment period. For avoidance of doubt, such Additional Adjustment Period shall be in addition to the Advance Notice Period and Additional Adjustment Period pursuant to Sections 14 and 15 of this Policy but subject to the limitation set forth in Section 18 of this Policy.

21.4. A cash bonus not to exceed 100% of the Executive Officer's annual base salary in case of an Executive Officer other than the CEO and 150% in case of the CEO.

H. Board of Directors Compensation

22. All Gamida's non-employee Board members shall be entitled to an equal annual and per-meeting compensation. Alternatively, Gamida's Board members may receive only an annual cash fee retainer with respect to their services on the Board and additional annual cash fee retainers for serving on board committees and as chairperson of the Board or its committees, without regard to their participation in meetings of the Board or its committees.

23. The compensation of the Company's external directors, if any are required and elected, shall be in accordance with the Companies Regulations (Rules Regarding the Compensation and Expenses of an External Director), 5760-2000, as amended by the Companies Regulations (Relief for Public Companies Traded in Stock Exchange Outside of Israel), 5760-2000, as such regulations may be amended from time to time ("**Compensation of Directors Regulations**").

24. The non-employee directors shall be entitled to an annual cash fee retainer of up to $40,000 (and up to an additional $20,000 for the chairperson of the Board or lead independent director), an annual committee membership fee retainer of up to $15,000, and an annual committee chairperson cash fee retainer of up to $20,000 (it is being clarified that the payment for the chairpersons would be in lieu of (and not in addition) to the payments referenced above for committee membership).

25. Notwithstanding the provisions of Sections 23 and 24 above, in special circumstances, such as in the case of a professional director, an expert director or a director who makes a unique contribution to the Company, such director's compensation may be different than the compensation of all other directors and maybe greater than the maximal amount allowed above.

26. Each non-employee member of Gamida's Board may be granted equity-based compensation. The total fair market value of a "welcome" or an annual equity-based compensation at the time of grant shall not exceed $100,000 at the time of approval of the grant by the Board.

27. In addition, members of Gamida's Board may be entitled to reimbursement of expenses when traveling abroad on behalf of Gamida.

28. It is hereby clarified that the compensation (and limitations) stated under Section H will not apply to directors who serve as Executive Officers.

I. <u>Miscellaneous</u>

29. It is hereby clarified that nothing in this Policy shall be deemed to grant any of Gamida's Executive Officers or employees or any third party any right or privilege in connection with their employment by the Company. Such rights and privileges shall be governed by the respective personal employment agreements. The Board may determine that none or only part of the payments, benefits and perquisites detailed in this Policy shall be granted, and is authorized to cancel or suspend a compensation package or part of it.

30. This Policy is subject to applicable law and is not intended, and should not be interpreted as limiting or derogating from, provisions of applicable law to the extent not permitted, nor should it be interpreted as limiting or derogating from the Company's Articles of Association.

31. This Policy is not intended to affect current agreements nor affect obligating customs (if applicable) between the Company and its Executive Officers as such may exist prior to the approval of this Compensation Policy, subject to any applicable law.

32. An Immaterial Change in the Terms of Employment of an Executive Officer other than the CEO may be approved by the CEO, provided that the amended terms of employment are in accordance with this Compensation Policy. An "**Immaterial Change in the Terms of Employment**" means a change in the terms of employment of an Executive Officer with an annual total cost to the Company not exceeding an amount equal to three (3) monthly gross salaries of such employee.

33. In the event that new regulations or law amendment in connection with Executive Officers and directors compensation will be enacted following the approval of this Compensation Policy, Gamida may follow such new regulations or law amendments, even if such new regulations are in contradiction to the compensation terms set forth herein.

34. It should be clarified, that the compensation components detailed in this Policy do not relate to various components that the Company may provide to all or part of its employees and/or its Executive Officers, such as: parking spaces, entry permits for its assets, reimbursement for meals and accommodation expenses, vacations, company events, etc.

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This Policy is designed solely for the benefit of Gamida and none of the provisions thereof are intended to provide any rights or remedies to any person other than Gamida.

AMENDED & RESTATED EMPLOYMENT AGREEMENT

This AMENDED & RESTATED EMPLOYMENT AGREEMENT (this "***Agreement***"), dated as of March 12, 2024 (the "***Effective Date***") is by and between GAMIDA CELL INC., a Delaware Corporation (the "***Company***"), and ABIGAIL JENKINS (the "***Employee***") (each a "***Party***" and collectively, the "***Parties***").

WHEREAS, Employee is employed by the Company and performs services for the Company and its affiliates, on the terms and conditions set forth in that certain Employment Agreement by and between the Company and Employee, dated as of September 18, 2022 (the "***Original Agreement***");

WHEREAS, the Parties entered into a Special Transaction Bonus Agreement (the "***Bonus Agreement***") on May 19, 2023, wherein Company offered to pay Employee a special transaction bonus upon satisfaction of conditions specified therein; and

WHEREAS, the Parties wish to amend and restate the Original Agreement and to supersede and replace the Bonus Agreement such that, as of the Effective Date, the terms of this Agreement shall amend restate, supersede, and replace all of the terms set forth in the Original Agreement and the Bonus Agreement, and the Employee's Employment (as defined below) shall be governed solely and exclusively by the terms set forth in this Agreement.

NOW, THEREFORE, in consideration of the promises and the respective covenants and agreements of the Parties herein contained, and intending to be legally bound hereby, the Parties hereto agree as follows:

1. Employment. As of the Effective Date, Employee hereby agrees to continue to be employed by the Company and to perform services for the Company, its subsidiaries and affiliates, on the terms and conditions set forth herein (the "***Employment***"). Effective as of the Effective Date, the terms of this Agreement shall amend, restate, supersede and replace all of the terms set forth in the Original Agreement and the Employee's Employment shall be governed solely and exclusively by the terms set forth in this Agreement.

2. Term. The Parties acknowledge and agree that the Employment commenced on September 19, 2022 (the "***Start Date***"). As of the Effective Date, Employee's Employment shall continue until terminated by either the Employee or the Company, pursuant to Section 7 hereof (the period of Employment pursuant to this Agreement, the "***Term***").

3. Position. During the Term, the Employee shall serve as the Company's **President and Chief Executive Officer** (the "***Position***").

4. Duties and Reporting Relationship. During the Term, the Employee shall devote one hundred percent of the Employee's regular business time and, on a full-time basis, use the Employee's skills and render services to the best of the Employee's abilities on behalf of the Company. The Employee shall report directly to the Board of Directors of the Company (the "***Supervisor***"). The Employee agrees that to the best of the Employee's ability, the Employee will make all efforts to loyally and conscientiously perform the duties and obligations required of and from the Employee pursuant to the terms of this Agreement. The Employee shall be responsible for all duties reasonably associated with the Position, as determined by the Supervisor. The Employee shall comply with all of the lawful policies and procedures of the Company.

5. Place of Performance; Relocation. The Parties agree that the Employee shall work from Employee's home office and the Company's Boston, Massachusetts office on an as-needed basis, as determined reasonably appropriate by the Company. The Parties acknowledge and agree that the Company has provided Employee with relocation assistance in a single, lump sum payment of $50,000, less applicable withholdings and deductions (the "***Relocation Payment***") in accordance with the Original Agreement to assist Employee with her move from Melbourne Beach, Florida to Boston, Massachusetts and to cover certain relocation-related living expenses. If the Employee resigns from the Company or is terminated for Cause prior to the 24-month anniversary of the date the Relocation Payment was made to Employee, then Employee will repay 50% of the Relocation Payment to the Company no later than 30 days after such resignation or termination date. The Employee acknowledges and agrees that, in connection with the Employment for the Company, on an as-needed basis, the Employee will be required to travel throughout North America as well as outside of the North America geographical area, including but not limited to the State of Israel.

6. Compensation and Related Matters.

(a) Annual Base Salary. As of the Effective Date, the Company shall pay to the Employee an annual base salary (the "***Base Salary***") at a rate of Five Hundred Seventy-Five Thousand United States Dollars ($575,000), to be paid on a prorated basis in conformity with the Company's payroll policies relating to its employees, in each case less applicable withholdings and deductions, not less frequently than twice each month. The Position qualifies as exempt from overtime payments for hours worked in excess of forty (40) hours per week, and the Employee will therefore not be entitled to any such overtime compensation. Employee's Base Salary shall be reviewed annually as part of the Company's normal salary review process by the Company and may be increased by the Company in its sole discretion. For the avoidance of doubt, any such increased annual base salary shall be considered Employee's "***Base Salary***" for all purposes of this Agreement.

(b) Annual Target Bonus. In addition to the compensation set forth above in Section 6(a), following each calendar year, the Employee shall be eligible for an annual target bonus of Fifty Percent (50%) of the Base Salary as in effect at the start of that calendar year, upon the attainment of goals and targets established in writing by the Company's Board of Directors (the "***Board***"), with such annual target bonus (if earned and declared) to be paid to the Employee in the payroll cycle for March of the year that immediately follows such calendar year, less applicable withholdings and deductions (the "***Annual Target Bonus***").

(c) Benefits. During the Term hereof, the Employee shall be entitled to the following benefits:

(i) Health Insurance. The Company shall make available to the Employee health insurance coverage for the Employee, in accordance with the policies obtained by the Company on behalf of similarly situated employees. Such health insurance shall include medical, dental and vision coverage.

(ii) 401(k). The Employee shall be eligible to participate in the Company's 401(k) Plan, in accordance with the terms of such Plan.

(iii) Disability Coverage; D & O Insurance. The Employee shall be eligible for both short-term and long-term disability coverage in accordance with the plans secured by the Company and made available to similarly situated employees. In addition, the Employee will be insured under the Company's D & O liability coverage, pursuant to the terms of such coverage.

(iv) Stock Options. The Parties acknowledge and agree that the Employee was granted 250,000 restricted stock units ("***RSUs***") and options to purchase 1,000,000 ordinary shares of Gamida Cell, Ltd., the Company's parent entity (the "***Parent***") (the "***Options***"), pursuant to the terms of the Parent's Share Incentive Plan and applicable grant agreements, as approved and adopted by the Board of Directors of the Parent ("***Parent Board***") (all applicable agreements, collectively, the "***Plans***"). All matters related to such Options and RSUs, including but not limited to the exercise price and the required execution of any governing agreement and/or other documentation, shall be subject to the sole discretion of the Parent Board. It is understood that nothing herein is intended to constitute a grant of, or right to, any share capital of the Company, and it is hereby confirmed that the Employee shall be solely responsible for any tax liability incurred in connection with the Options and RSUs, including but not limited to with respect to the grant, exercise, and/or sale of such Options and RSUs.

(v) Paid Time Off.

(1) Vacation. The Employee shall be entitled to take twenty (20) business days of vacation per calendar year, with such days to be prorated for partial years of employment. The Employee shall be entitled to carry over accrued but unused vacation days from one calendar year into the following calendar year, but at no time shall the Employee accrue more than twenty (20) days of vacation.

(2) Holidays. In addition to vacation days, the Employee shall be entitled to take off the US holidays observed by the Company in any given calendar year. The Company does not pay out worked holidays.

(3) Sick Time. The Employee will be eligible to take paid sick time off from work, in accordance with applicable law, up to a maximum of forty (40) hours per calendar year. Accrued but unused sick time shall be carried over from one calendar year to the following calendar year, with a maximum of forty (40) hours to be used for purposes of sick time in any given calendar year.

(4) Separation from the Company. Upon the Employee's termination of employment by the Company or the Employee's resignation, the Employee will be entitled to the payout of any accrued but unused vacation days, but will not be eligible for payout on account of unused sick time or worked holidays.

(vi) Company Property. Any Company property provided to the Employee, including but not limited to a laptop, shall remain at all times the property of the Company, and only be used by the Employee in accordance with Company guidelines. Upon the Employee's termination of employment for any reason, the Employee will be obligated to immediately return the laptop to the Company.

(vii) Business Expenses. The Employee will be eligible for reimbursement of preapproved reasonable business expenses, including cell phone expenses as per a mutually agreed upon cell phone plan, as well as other expenses incurred in accordance with the Company's business expense reimbursement policies, as may be updated from time to time by the Company.

(d) Section 409A of the Internal Revenue Code of 1986, as amended. The Parties hereby affirm that with respect to any and all payments and benefits under this Agreement, the intent is that such payments and benefits either: (i) do not constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Internal Revenue Code ("***Section 409A***"), and therefore are exempt from Section 409A, (ii) are subject to a "substantial risk of forfeiture" and are exempt from Section 409A under the "short-term deferral rule" set forth in Treasury Regulation §1.409A-1(b)(4), or (iii) are in compliance with Section 409A. In any event, the Parties further confirm that they intend to have all provisions of this Agreement construed, interpreted and administered in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(e) The Employee shall be responsible for the payment of applicable taxes and other compulsory payments imposed by law on the Employee, in respect of, or resulting from, the compensation and the benefits paid or granted to, or received by the Employee, or contributed by the Company, or to which the Employee is or may be entitled, pursuant to this Agreement or the Employee's Employment with the Company. The Company shall withhold or deduct from any payment or compensation to which the Employee is entitled, applicable amounts as required by law.

(f) [INTENTIONALLY OMITTED].

7. Termination. The Employee's Employment may be terminated without breach of the Agreement as set forth below:

(a) Death; Disability. The Employee's Employment shall terminate upon the Employee's death or Disability (as hereafter defined) to the extent permissible under applicable law. Upon any such termination, the Employee (or, in the event of the Employee's death, the Employee's estate) shall receive the Base Salary through the Date of Termination (as hereafter defined), as well as (i) reimbursement for approved but unpaid business expenses through the Date of Termination, (ii) any fully earned and declared (by the board of directors of the Company) Annual Target Bonus as of the Date of Termination which was not paid yet, and (iii) any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination. The Employee (and, in the event of the Employee's death, the Employee's estate) shall not be entitled to any other amounts or benefits from the Company or otherwise upon any such termination, notwithstanding anything to the contrary contained in the Agreement or otherwise. For purposes of the Agreement, "***Disability***" shall mean the inability of the Employee to perform the Employee's duties on account of a physical or mental illness for a period of sixty (60) consecutive days, or for ninety (90) days in any six (6) month period. Notwithstanding anything to the contrary contained in the Agreement or otherwise, during any period of Disability, the Company shall not be obligated to pay any compensation, benefits or other amounts to the Employee, except as mandated by applicable law.

(b) Cause. The Company may terminate the Employee's Employment for Cause at any time upon written notice to Employee.

(i) For purposes of the Agreement, the Company shall have "***Cause***" to terminate the Employee's Employment hereunder pursuant to Employee's:

(1) material breach of this Agreement or of any other written agreement between Employee and the Company, if such breach causes material harm to the Company or to any of its affiliates or reasonably threatens to cause such harm;

(2) material failure to comply with the Company's written policies or rules, as they may be in effect from time to time during the Employment, if such failure causes material harm to the Company or to any of its affiliates and to the extent it is deemed curable by the Employee, is not cured within 10 days after written notice thereof is given to the Employee by the Company;

(3) commission, conviction of, or a plea of "guilty" or "no contest" to, a felony under the laws of the United States or any State;

(4) willful, intentional or grossly negligent act having the effect of materially injuring (whether financially or otherwise) the business or reputation of the Company or of any of its affiliates, which to the extent it is deemed curable by the Employee, is not cured within 10 days after written notice thereof is given to the Employee by the Company; or

(5) willful misconduct with respect to any of Employee's material duties or obligations under the Agreement or applicable law or regulation, which, to the extent it is deemed curable is not cured within 10 days after written notice thereof is given to the Employee by the Company.

(ii) A purported termination of Employee's Employment for Cause shall not be effective unless the Company provides written notice to Employee of the facts alleged by the Company to constitute Cause and such notice is delivered to Employee no more than 90 days after the Company has actual knowledge of such facts.

(iii) In the event that the Company terminates the Employee's Employment for Cause, the Employee shall receive the Base Salary through the Date of Termination, and any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination, as well as reimbursement for approved but unpaid business expenses through the Date of Termination. The Employee shall not be entitled to any compensation, benefits or other amounts from the Company or otherwise upon such termination, notwithstanding anything to the contrary contained in the Agreement or otherwise.

(c) Termination without Cause/Resignation. The Employee's Employment may be terminated at any time by the Company or by the Employee upon the Employee's resignation. In the event of the termination of the Employee's Employment by the Company for any reason (other than a termination for Cause), or the Employee's resignation for any reason, it is agreed that the terminating Party shall give the other Party one (1) month's notice of such termination in accordance with Section (7)(d) below (the "***Notice Period***"). In the event of the Company's termination of Employee's Employment for any reason (other than a termination for Cause) or Employee's resignation for any reason the Employee shall receive the Base Salary through the Date of Termination, reimbursement for approved but unpaid business expenses through the Date of Termination, fully earned and declared (by the Board) Annual Target Bonus as of the Date of Termination which was not paid yet, any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination, and, if applicable, the Severance Benefits described in Section 7(g)(i) below, and without, however, derogating from the Company's rights under Section 9 below to terminate the Employee's Employment without Notice Period (in whole or in part, together with the payment of the Base Salary in lieu of the part so waived) and to determine whether or not the Employee will attend work during the Notice Period or any part thereof.

(d) Notice of Termination. Any termination of the Employee's Employment by the Company or by the Employee (other than termination upon the death of the Employee) shall be communicated by written Notice of Termination by such Party to the other Party in accordance with the notice provisions of the Agreement. Such Notice of Termination shall specify the last day of the Employee's Employment with the Company.

(e) Date of Termination. "***Date of Termination***" shall mean: (i) if the Employee's Employment is terminated by the Employee's death, the date of the Employee's death, or (ii) if the Employee's Employment is terminated pursuant to any of the other terms set forth herein, the date specified in the Notice of Termination.

(f) Transition. Regardless of the circumstances surrounding the Employee's termination of Employment, the Employee hereby agrees that upon the Employee's termination of Employment, the Employee will return to the Company all Company property and will make reasonable efforts to facilitate the orderly transition of the Employee's duties and responsibilities. Any such transition assistance following Employee's last day of Employment with the Company, shall be at no out-of-pocket cost or expense to the Employee and shall be subject to Employee's commitments to any new employer.

(g) Severance Benefits.

(i) Non-Compete Payments after Termination. In the event of the Company's termination of Employee's Employment not for Cause, or the Employee's resignation from Employment for Good Reason (as defined below), then in consideration for Employee's compliance with and performing of the obligations set forth in Section 2 of the Confidentiality and Ownership of Inventions, Unfair Competition, and Non-Solicitation Undertaking (the "***Undertaking***"), during the noncompetition period as set forth in Section 2.1 of the Undertaking, as amended by Section 8(c) of this Agreement, the Company shall pay to the Employee, (A) in a single lump-sum payment an amount equal to nine (9) months of the Base Salary, less applicable deductions and withholdings and less any severance pay-related amounts (if any) then paid, payable or accrued and released to or for the benefit of the Employee (whether pursuant to applicable law, any agreement, or otherwise) as a result of or in connection with such termination; and (B) an amount equal to the cash value of nine (9) months of Employee's applicable COBRA premiums, less applicable deductions and withholdings (including the amount of COBRA premiums for any of Employee's eligible dependents, as determined by the Company in its sole discretion) which Employee may, but is not obligated to, use towards the cost of COBRA premiums; *provided, however*, Employee shall be eligible to receive an amount equal to the cash value of up to ten (10) months of Employee's applicable COBRA premiums, less applicable deductions and withholdings, in the event that the Company waives all or part of the Notice Period (collectively, the "***Severance Benefits***"). The receipt of any payments herein is subject to Employee signing and not revoking a Release (as defined below) within the minimum time period required by applicable law, as specified by the Release. The Severance Benefits under this Section 7(g)(i) shall be in addition to the Base Salary paid to Employee during or in lieu of the Notice Period. For avoidance of doubt, in no event shall this Section 7(g)(i)(B) operate to result in Employee receiving an amount greater than the amount equal to the cash value of ten (10) months of COBRA premiums, less applicable deductions and withholdings.

(ii) For purposes of the Agreement, "***Good Reason***" means the occurrence of any of the following events without the Employee's consent; *provided, that* any resignation by the Employee due to any of the following conditions will only be deemed to have been made for Good Reason if: (i) the Employee gives the Company written notice of the circumstances alleged by Employee to constitute Good Reason and of the intent to terminate Employment for Good Reason, which notice will be delivered within 30 days following the first occurrence of the condition(s) that the Employee believes constitutes Good Reason and will describe such condition(s); (ii) the Company fails to remedy, if remediable, such condition(s) within 30 days following receipt of the Employee's aforesaid written notice (the "***Cure Period***"); (iii) the Employee has cooperated in good faith with Company's efforts to remedy such condition(s); and (iv) the Employee actually resigns from his/her Employment within the first 15 days after expiration of the Cure Period: (a) a material reduction by the Company of Employee's Base Salary or annual bonus target (if any) as in effect immediately prior to the reduction, *provided that* a compensation plan change that affects similarly all employees at similar levels will not constitute Good Reason; (b) a material reduction in the Employee's authority, duties or responsibilities, *provided that* a reduction that takes place within twelve (12) months following a Change in Control, or a change in job title or reporting relationship without a reduction in Employee's base salary or annual bonus target, will not constitute Good Reason; (c) if, in connection with a Change in Control, the Acquiror does not offer Employee Comparable Employment (as defined below), or offers Comparable Employment that does not include equivalent or greater severance benefits than the Severance Benefits set forth in Section 7(g)(i) above, as reasonably determined by the Company in its sole discretion; or (d) relocation of the offices at which the Employee is required to work to a location outside 50 miles from Employee's home. Employee's death or Disability will not constitute a without Cause termination or Good Reason resignation under the Agreement.

(iii) For purposes of the Agreement, a "***Change in Control***" shall mean a Merger/Sale as defined under the Company's 2017 Share Incentive Plan, as amended.

(iv) Acceleration upon Termination in connection with a Change of Control. In the event of a Change in Control, if the Employee's Employment is terminated by the Company not for Cause or the Employee resigns from Employment for Good Reason, in either case, within twelve (12) months following the consummation of such a Change in Control, then any Options and other equity awards of the Company that have been granted to the Employee prior to the Change of Control and are outstanding as of the Date of Termination shall fully vest and become exercisable on such date in accordance with the terms of the applicable Plans. The receipt of any payments or accelerated vesting herein is subject to Employee signing and not revoking a Release (as defined below) within the minimum time period required by applicable law, as specified by the Release.

(v) Conditions Precedent. Any severance payments, benefits, or acceleration contemplated by this Section 7 are conditional on Employee: (i) continuing to comply with the terms of the Agreement and the Undertaking; and (ii) signing and not revoking a separation agreement and release of known and unknown claims in the form provided by the Company (including non-disparagement, cooperation with the Company and no cooperation with third parties provisions) (the "***Release***") and provided that such Release becomes effective and irrevocable within the minimum time period required by applicable law, as specified by the Release (such deadline, the "***Release Deadline***"). If the Release does not become effective by the Release Deadline, Employee will forfeit any rights to payments, benefits, or acceleration under this Section 7 or elsewhere in the Agreement. Any severance payments under the Agreement that would not be considered deferred compensation subject to Section 409A will be paid on the first payroll date that occurs on or after the date the Release becomes effective.

(vi) Section 409A. The payments and benefits under the Agreement are intended to qualify for an exemption from application of Section 409A or comply with its requirements to the extent necessary to avoid adverse personal tax consequences under Section 409A, and any ambiguities herein will be interpreted accordingly. To the extent that any payment or benefit described in the Agreement constitutes "non-qualified deferred compensation" under Section 409A, and to the extent that such payment or benefit is payable upon the termination of the Employment, then such payments or benefits will be payable only upon Employee's "separation from service." The determination of whether and when a separation from service has occurred will be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h). Notwithstanding anything in the Agreement to the contrary, if at the time of Employee's separation from service, the Company determines that Employee is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that Employee become entitled to under the Agreement on account of Employee's separation from service would be considered deferred compensation subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment will not be payable and such benefit will not be provided until the date that is the earlier of (A) six months and one day after Employee's separation from service, (B) Employee's death, or (C) such earlier date as permitted under Section 409A without imposition of adverse taxation. The Company makes no representation or warranty and will have no liability to the Employee or any other person if any provisions of the Agreement are determined to constitute deferred compensation subject to Section 409A but do not satisfy an exemption from, or the conditions of, Section 409A.

(vii) Modified Economic Cutback Following a Sale Event. If any payment or benefit that the Employee would receive from the Company or otherwise in connection with a Change in Control or other similar transaction (a "***280G Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then any such 280G Payment (a "***Payment***") will be equal to the Reduced Amount. The "***Reduced Amount***" will be either (x) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount (i.e., the amount determined by clause (x) or by clause (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Employee's receipt, on an after-tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount is determined pursuant to clause (x) of the preceding sentence, the reduction will occur in the manner (the "***Reduction Method***") that results in the greatest economic benefit for the Employee. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata (the "***Pro Rata Reduction Method***").

Notwithstanding the foregoing, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A of the Code that would not otherwise be subject to taxes pursuant to Section 409A of the Code, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, will be modified so as to avoid the imposition of taxes pursuant to Section 409A of the Code as follows: (A) as a first priority, the modification will preserve to the greatest extent possible, the greatest economic benefit for the Employee as determined on an after-tax basis; (B) as a second priority, Payments that are contingent on future events (e.g., being terminated without Cause), will be reduced (or eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A of the Code will be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A of the Code.

Unless the Employee and the Company agree on an alternative accounting firm, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the change of control transaction triggering the Payment will perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the change of control transaction, the Company will appoint a nationally recognized accounting firm to make the determinations required hereunder. The Company will bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The Company will use commercially reasonable efforts to cause the accounting firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to the Employee and the Company within 15 calendar days after the date on which the Employee's right to a 280G Payment becomes reasonably likely to occur (if requested at that time by the Employee or the Company) or such other time as requested by the Employee or the Company.

If the Employee receives a Payment for which the Reduced Amount was determined pursuant to clause (x) of the first paragraph of this Section and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, the Employee will promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) of the first paragraph of this Section so that no portion of the remaining Payment is subject to the Excise Tax). For the avoidance of doubt, if the Reduced Amount was determined pursuant to clause (y) in the first paragraph of this Section, the Employee will have no obligation to return any portion of the Payment pursuant to the preceding sentence.

(viii) Forfeiture of Severance Benefits upon Change in Control. If, in connection with a Change in Control:

(A) Employee is offered, before the Change of Control Date, Comparable Employment, as defined below, by the party purchasing or acquiring control of the Company or its assets, or any affiliate thereof (the "***Acquiror***"), on terms that contain severance benefits that, taken as a whole, are equal to or greater in value, as reasonably determined by the Company in its sole discretion, than the Severance Benefits set forth in Section 7(g)(i) above, then—regardless of whether or not Employee agrees to and accepts, or rejects, such employment offer with Acquiror—the provisions of Section 7(g)(i) shall not apply, and Employee hereby waives any right to the Severance Benefits and acknowledges that Employee shall not be entitled to, and neither the Company nor Acquiror (nor any of their respective affiliates) will pay to Employee, the Severance Benefits even if Employee's Employment is subsequently terminated by the Company or Acquiror (as the case may be) not for Cause or Employee subsequently resigns from any such employment for Good Reason;

(B) Employee is offered, before the Change of Control Date, Comparable Employment by the Acquiror on terms that contain severance benefits that, taken as a whole, are of less value, as reasonably determined by the Company in its sole discretion, than the Severance Benefits set forth in Section 7(g)(i) above, and the Employee agrees to and accepts such employment offer with the Acquiror, then the provisions of Section 7(g)(i) shall not apply, and Employee hereby waives any right to the Severance Benefits and acknowledges that Employee shall not be entitled to, and neither the Company nor Acquiror (nor any of their respective affiliates) will pay to Employee, the Severance Benefits even if Employee's Employment is subsequently terminated by the Company or Acquiror (as the case may be) not for Cause or Employee subsequently resigns from any such employment for Good Reason; or

(C) Employee is not offered, before the Change of Control Date, Comparable Employment by the Acquiror, and Employee's Employment is subsequently terminated by the Company not for Cause, or the Employee subsequently resigns for Good Reason, then, in either case, Employee will be entitled to the Severance Benefits as set forth in Section 7(g)(i) above.

For purposes of this Agreement, "***Comparable Employment***" is defined as employment that, taken as a whole and as reasonably determined by the Company in its sole discretion, is substantially similar to Employee's Employment hereunder, including the employment's title, duties, obligations, base salary, target bonus, and work location.

8. Employee Representations.

(a) The Employee hereby represents and warrants that the Employee's performance of the terms of this Agreement will not breach any written or oral agreement entered into by the Employee with a former employer or with any other third party. The Employee further represents and warrants that the Employee will not engage in additional employment or recreational activities that would in any way pose a conflict of interest with the Employment.

(b) The Employee hereby confirms that the Employee is not owed any amounts or entitled to any benefits from the Company and/or its affiliates for any period of employment, consulting or services provided by the Employee prior to the Effective Date, whether to the Company or to any of its affiliated entities, and that the Employee has been paid in full any amounts which may be due to the Employee on the part of the Company and/or its affiliates on account of any such period of employment, consulting or services provided.

(c) (c) The Employee hereby acknowledges that the Employee's signing of the Undertaking constituted a precondition of the Employment, and Employee reaffirms and agrees to observe and abide by the terms of the Undertaking, specifically including the provisions therein regarding nondisclosure of the Company's trade secrets and confidential and proprietary information, noncompetition, and nonsolicitation of Company employees; *provided, however*, that as of the Effective Date of this Agreement, the Tail Period (as defined in Section 2.1 of the Undertaking) shall be amended to mean a period of six (6) months following the Employee's termination of Employment, irrespective of (i) whether the Company or the Employee terminates Employee's Employment, and (ii) the reason the Employee's Employment terminates. The Employee further affirms that this Agreement, the Plans, and the Undertaking, as amended by this Section 8(c), constitute the entire understanding of the Parties with respect to the subject matter hereof or otherwise to the Employee's Employment with the Company, and supersede any and all prior agreements, promises, negotiations, proposals, discussions, understandings and arrangements whether oral or written, between the Company and the Employee, and all other agreements existing between the Parties and relating to the subject matter hereof are expressly canceled (including, without limitation, the Original Agreement and the Bonus Agreement).

(d) The Employee understands that the Employment and obligations of the Company pursuant to this Agreement are conditioned upon the Employee's maintaining, in each case as required by applicable law, authorization to work in the United States. It is understood that absent such work authorization, the terms of this Agreement shall be null and void, and the Company shall have no obligations hereunder. In the event that the Employee is actively employed by the Company at the time of a lapse in the Employee's work authorization for any reason, the Employment shall immediately terminate and the Company shall have no obligations with respect to the Employee or pursuant to this Agreement.

(e) The Employee acknowledges that the Employee has been advised, or was previously advised, to obtain independent counsel to evaluate the terms, conditions and covenants set forth in this Agreement and the Undertaking, and the Employee has been, or was, afforded ample opportunity to obtain such independent advice and evaluation. The Employee warrants to the Company that the Employee has relied upon such independent counsel and not upon any representation (legal or otherwise), statement or advice said or offered by the Company or the Company's counsel in connection with this Agreement.

9. No Retention Rights. Nothing in the Agreement or otherwise shall confer upon Employee the right to continue in the employ of, or be in the service of the Company or any subsidiary or other affiliate thereof as a service provider or to be entitled to any remuneration or benefits not set forth in the Agreement, or to interfere with or limit in any way the right of the Company or any such subsidiary or other affiliate thereof to terminate Employee's Employment or service (including, any right of the Company or any of its affiliates to immediately cease the Employee's Employment or service or to shorten all or part of the Notice Period, regardless of whether notice of termination was given by the Company or its affiliate or by the Employee). Employee shall not be entitled to claim and Employee hereby waives any claim against the Company or any Subsidiary or other affiliate thereof, that Employee was prevented from continuing to accrue any rights pursuant to the Agreement as of and through the date of termination of employment with, or services to, the Company or any Subsidiary or other affiliate thereof. Employee shall be entitled to any compensation which would have accrued had Employee's Employment or engagement with the Company (or any Subsidiary or other affiliate thereof) not been terminated.

10. Notices. All notices and other communications under this Agreement shall be in writing and shall be given by email or first-class mail, certified or registered, and shall be deemed to have been duly given three (3) days after mailing, twenty-four (24) hours after transmission of email, or immediately upon acknowledgement of receipt, as follows:

If to the Company: **GAMIDA CELL INC.**
Attention: Board of Directors
116 Huntington Ave., 7th Floor
Boston, MA 02116

With a copy to:
Gamida Cell Inc.
Attention: General Counsel
Email: legalnotices@gamida-cell.com

If to the Employee: **ABIGAIL JENKINS**
[Contact information provided separately to the Company.]

or as otherwise indicated as per the Company's personnel records for the Employee.

11. Remedies of the Company. Upon any termination of the Employment for Cause, the reasons for which may cause irreparable harm to the Company, the Company shall be entitled to institute and prosecute proceedings to obtain injunctive relief and damages, costs and expenses, including, without limitation, reasonable attorneys' fees and expenses.

12. Arbitration. Except as set forth above in Section 11 above and as set forth in the Undertaking, the Employee and the Company agree that any claim, controversy or dispute between the Employee and the Company (including, without limitation, its affiliates, officers, Employees, representative or agents) arising out of or relating to this Agreement, the Employment of the Employee, the cessation of Employment of the Employee, or any matter relating to the foregoing shall be submitted to and settled by arbitration pursuant to the Federal Arbitration Act in a forum of the American Arbitration Association ("***AAA***") located in the Commonwealth of Massachusetts and applying the substantive law of the Commonwealth of Massachusetts, unless otherwise mutually agreed upon by the Parties, and conducted in accordance with the National Rules for the Resolution of Employment Disputes. In such arbitration, the Parties shall agree upon a single arbitrator, who shall: (i) agree to treat as confidential evidence and other information presented by the Parties to the same extent as Confidential Information under the Undertaking must be held confidential by the Employee, (ii) have no authority to amend or modify any of the terms of this Agreement, and (iii) have ten (10) business days from the closing statements or submission of post-hearing briefs by the Parties to render his or her decision. Any arbitration award shall be final and binding upon the Parties, and any court, state or federal, having jurisdiction may enter a judgment on the award.

13. Enforceability of this Agreement.

(a) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereunder. If a court of competent jurisdiction determines that any portion of this Agreement is in violation of any statute or public policy only the portions of this Agreement that violate such statute or public policy shall be stricken, and all other portions of this Agreement that do not violate any statute or public policy shall continue in full force and effect. Further, if any one or more of the provisions contained in this Agreement is determined by a court of competent jurisdiction in any State to be excessively broad as to duration, scope, activity or subject, or is unreasonable or unenforceable under the laws of such State, such provisions will be construed by limiting, reducing, modifying or amending them so as to be enforceable to the maximum extent permitted by the law of that State. If the Agreement is held unenforceable in any jurisdiction, such holding will not impair the enforceability of the Agreement in any other jurisdiction.

(b) This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

(c) No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by the Employee and the Company. No waiver by either Party hereto at any time or any breach by the other Party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

(d) The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the Commonwealth of Massachusetts without regard to its conflicts of law principles, unless otherwise mutually agreed upon by the Parties.

(e) The Company shall have the right to assign its rights and obligations under this Agreement to any individual, entity, corporation or partnership that succeeds to all or a portion of the relevant business or assets of the Company. This Agreement is personal to the Employee, and the Employee may not assign the Employee's rights and obligations under this Agreement to any third party.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Amended & Restated Employment Agreement as of the date first written above.

GAMIDA CELL INC.

By: */s/ Shawn Tomasello*
Name: Shawn Tomasello
Title: Chairwoman of the Board

ABIGAIL JENKINS

By: */s/ Abbey Jenkins*

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (this "***Agreement***"), dated as of September 18, 2022 (the "***Effective Date***") is by and between **GAMIDA CELL INC.**, a Delaware Corporation (the "***Company***"), and **ABIGAIL JENKINS** (the "***Employee***") (each a "***Party***" and collectively, the "***Parties***").

WHEREAS, in recognition of the Employee's experience and abilities, the Company desires to assure itself of the employment of the Employee in accordance with the terms and conditions provided herein; and

WHEREAS, the Employee seeks to be employed by the Company and to perform services for the Company and its affiliated entities in accordance with the terms and conditions provided herein.

NOW, THEREFORE, in consideration of the promises and the respective covenants and agreements of the Parties herein contained, and intending to be legally bound hereby, the Parties hereto agree as follows:

1. Employment. The Company hereby agrees to employ the Employee, and the Employee hereby agrees to be employed by the Company and to perform services for the Company, its subsidiaries and affiliates, on the terms and conditions set forth herein (the "***Employment***").

2. Term. Unless otherwise mutually agreed by the Parties in writing, the Employment shall commence on September 19, 2022 (the "***Start Date***") and shall continue until terminated by either the Employee or the Company, pursuant to Section 7 hereof (the period of Employment pursuant to this Agreement, the "***Term***").

3. Position. During the Term, the Employee shall serve as the Company's **President and Chief Executive Officer** (the "***Position***").

4. Duties and Reporting Relationship. During the Term, the Employee shall devote one hundred percent of the Employee's regular business time and, on a full-time basis, use the Employee's skills and render services to the best of the Employee's abilities on behalf of the Company. The Employee shall report directly to the Board of Directors of the Company (the "***Supervisor***"). The Employee agrees that to the best of the Employee's ability, the Employee will make all efforts to loyally and conscientiously perform the duties and obligations required of and from the Employee pursuant to the terms of this Agreement. The Employee shall be responsible for all duties reasonably associated with the Position, as determined by the Supervisor. The Employee shall comply with all of the lawful policies and procedures of the Company.

5. Place of Performance; Relocation. The Parties agree that the Employee shall initially work remotely from Employee's residence in Melbourne Beach, Florida. As soon as reasonably practicable after the Effective Date, the Company and Employee will endeavor to mutually agree on a Company office location within the United States where Employee will relocate. Within six months after such determination, Employee will relocate to such Company office location and will perform her work for the Company primarily from such location. Within 30 days after the date the Company and Employee mutually agree on such office location, the Company will provide Employee with relocation assistance in a single, lump sum payment of $50,000, less applicable withholdings and deductions (the "***Relocation Payment***") to assist Employee with her move from Melbourne Beach, Florida and to cover certain relocation-related living expenses. If the Employee resigns from the Company or is terminated for Cause prior to the 24-month anniversary of the date such Relocation Payment is made to Employee, then (x) if such resignation or termination occurs prior to the 12-month anniversary of the date such Relocation Payment is made to Employee, Employee will repay 100% of the Relocation Payment to the Company no later than 30 days after such resignation or termination date, or (y) if such resignation or termination occurs after such 12-month anniversary but prior to the 24-month anniversary of the date such Relocation Payment is made to Employee, Employee will repay 50% of the Relocation Payment to the Company no later than 30 days after such resignation or termination date. The Employee acknowledges and agrees that, in connection with the Employment for the Company, on an as-needed basis, the Employee will be required to travel throughout North America as well as outside of the North America geographical area, including but not limited to the State of Israel.

6. Compensation and Related Matters.

(a) Annual Base Salary. During the Term, the Company shall pay to the Employee an annual base salary (the "***Base Salary***") at a rate of Five Hundred Fifty Thousand United States Dollars ($550,000), to be paid on a prorated basis in conformity with the Company's payroll policies relating to its employees, in each case less applicable withholdings and deductions, not less frequently than twice each month. The Position qualifies as exempt from overtime payments for hours worked in excess of forty (40) hours per week, and the Employee will therefore not be entitled to any such overtime compensation. Employee's Base Salary shall be reviewed annually as part of the Company's normal salary review process by the Company and may be increased by the Company in its sole discretion. For the avoidance of doubt, any such increased annual base salary shall be considered Employee's "Base Salary" for all purposes of this Agreement.

(b) Annual Target Bonus. In addition to the compensation set forth above in Section 6(a), following each calendar year, the Employee shall be eligible for an annual target bonus of Fifty Percent (50%) of the Base Salary as in effect at the start of that calendar year, upon the attainment of goals and targets established in writing by the Company's Board of Directors (the "***Board***"), with such annual target bonus (if earned and declared) to be paid to the Employee in the payroll cycle for March of the year that immediately follows such calendar year, less applicable withholdings and deductions (the "***Annual Target Bonus***").

(c) Benefits. During the Term hereof, the Employee shall be entitled to the following benefits:

(i) Health Insurance. The Company shall make available to the Employee health insurance coverage for the Employee, in accordance with the policies obtained by the Company on behalf of similarly situated employees. Such health insurance shall include medical, dental and vision coverage.

(ii) 401(k). The Employee shall be eligible to participate in the Company's 401(k) Plan, in accordance with the terms of such Plan.

(iii) Disability Coverage; D & O Insurance. The Employee shall be eligible for both short-term and long-term disability coverage in accordance with the plans secured by the Company and made available to similarly situated employees. In addition, the Employee will be insured under the Company's D & O liability coverage, pursuant to the terms of such coverage.

(iv) Stock Options. The Company has recommended to the Board of Directors of Gamida Cell Ltd., the Company's parent entity (the "***Parent Board***" and the "***Parent***", respectively), and the Parent Board has approved, that the Employee be granted as of the Start Date 250,000 restricted stock units ("***RSUs***") and options to purchase 1,000,000 ordinary shares of the Parent (the "***Options***"), pursuant to the terms of the Parent's Share Incentive Plan and applicable grant agreements, as approved and adopted by the Parent Board (all applicable agreements, collectively, the "***Plans***"), which Options and RSUs, except as provided in Section 7(g)(iv) below, shall vest as follows: (i) with respect to the Options, 25% of the Options will vest on the first anniversary of the Start Date and an additional 6.25% of the Options will vest at the end of each subsequent three-month period thereafter over the course of the following three (3) years, and (ii) with respect to the RSUs, 33% of the RSUs will vest on the first anniversary of the Start Date, 33% of the RSUs will vest on the second anniversary of the Start Date, and the remaining 34% of the RSUs will vest on the third anniversary of the Start Date, *provided that* the Employee remains employed by the Company or its subsidiary on such vesting dates. All matters related to such Options and RSUs, including but not limited to the exercise price and the required execution of any governing agreement and/or other documentation, shall be subject to the sole discretion of the Parent Board. It is understood that nothing herein is intended to constitute a grant of, or right to, any share capital of the Company, and it is hereby confirmed that the Employee shall be solely responsible for any tax liability incurred in connection with the Options and RSUs, including but not limited to with respect to the grant, exercise, and/or sale of such Options and RSUs.

(v) Paid Time Off.

(1) Vacation. The Employee shall be entitled to take twenty (20) business days of vacation per calendar year, with such days to be prorated for partial years of employment. The Employee shall be entitled to carry over accrued but unused vacation days from one calendar year into the following calendar year, but at no time shall the Employee accrue more than twenty (20) days of vacation.

(2) Holidays. In addition to vacation days, the Employee shall be entitled to take off the US holidays observed by the Company in any given calendar year. The Company does not pay out worked holidays.

(3) Sick Time. The Employee will be eligible to take paid sick time off from work, in accordance with applicable law, up to a maximum of forty (40) hours per calendar year. Accrued but unused sick time shall be carried over from one calendar year to the following calendar year, with a maximum of forty (40) hours to be used for purposes of sick time in any given calendar year.

(4) Separation from the Company. Upon the Employee's termination of employment by the Company or the Employee's resignation, the Employee will be entitled to the payout of any accrued but unused vacation days, but will not be eligible for payout on account of unused sick time or worked holidays.

(vi) Company Property. The Company shall provide the Employee with Company property, including but not limited to a laptop, which shall remain at all times the property of the Company, to be used by the Employee in accordance with Company guidelines. Upon the Employee's termination of employment for any reason, the Employee will be obligated to immediately return the laptop to the Company.

(vii) Business Expenses. The Employee will be eligible for reimbursement of preapproved reasonable business expenses, including cell phone expenses as per a mutually agreed upon cell phone plan, as well as other expenses incurred in accordance with the Company's business expense reimbursement policies, as may be updated from time to time by the Company.

(d) Section 409A of the Internal Revenue Code of 1986, as amended. The Parties hereby affirm that with respect to any and all payments and benefits under this Agreement, the intent is that such payments and benefits either: (i) do not constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Internal Revenue Code ("***Section 409A***"), and therefore are exempt from Section 409A, (ii) are subject to a "substantial risk of forfeiture" and are exempt from Section 409A under the "short−term deferral rule" set forth in Treasury Regulation §1.409A−1(b)(4), or (iii) are in compliance with Section 409A. In any event, the Parties further confirm that they intend to have all provisions of this Agreement construed, interpreted and administered in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(e) The Employee shall be responsible for the payment of applicable taxes and other compulsory payments imposed by law on the Employee, in respect of, or resulting from, the compensation and the benefits paid or granted to, or received by the Employee, or contributed by the Company, or to which the Employee is or may be entitled, pursuant to this Agreement or the Employee's employment with the Company. The Company shall withhold or deduct from any payment or compensation to which the Employee is entitled, applicable amounts as required by law.

(f) Reimbursement of Attorney's Fees. The Company will reimburse the Employee for any attorney's fees actually incurred by the Employee in connection with the review and negotiation of this Agreement, with such reimbursement not to exceed $5000.00. Employee will submit reasonable documentation to the Company evidencing such fees incurred by the Employee and such reimbursement will be made to the Employee within 30 days of the Company's receipt of such documentation.

7. Termination. The Employee's Employment may be terminated without breach of the Agreement as set forth below:

(a) Death; Disability. The Employee's Employment shall terminate upon the Employee's death or Disability (as hereafter defined) to the extent permissible under applicable law. Upon any such termination, the Employee (or, in the event of the Employee's death, the Employee's estate) shall receive the Base Salary through the Date of Termination (as hereafter defined), as well as (i) reimbursement for approved but unpaid business expenses through the Date of Termination, (ii) any fully earned and declared (by the board of directors of the Company) Annual Target Bonus as of the Date of Termination which was not paid yet, and (iii) any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination. The Employee (and, in the event of the Employee's death, the Employee's estate) shall not be entitled to any other amounts or benefits from the Company or otherwise upon any such termination, notwithstanding anything to the contrary contained in the Agreement or otherwise. For purposes of the Agreement, "***Disability***" shall mean the inability of the Employee to perform the Employee's duties on account of a physical or mental illness for a period of sixty (60) consecutive days, or for ninety (90) days in any six (6) month period. Notwithstanding anything to the contrary contained in the Agreement or otherwise, during any period of Disability, the Company shall not be obligated to pay any compensation, benefits or other amounts to the Employee, except as mandated by applicable law.

(b) Cause. The Company may terminate the Employee's Employment for Cause at any time upon written notice to Employee.

(i) For purposes of the Agreement, the Company shall have "***Cause***" to terminate the Employee's Employment hereunder pursuant to Employee's:

(1) material breach of this Agreement or of any other written agreement between Employee and the Company, if such breach causes material harm to the Company or to any of its affiliates or reasonably threatens to cause such harm;

(2) material failure to comply with the Company's written policies or rules, as they may be in effect from time to time during the Employment, if such failure causes material harm to the Company or to any of its affiliates and to the extent it is deemed curable by the Employee, is not cured within 10 days after written notice thereof is given to the Employee by the Company;

(3) commission, conviction of, or a plea of "guilty" or "no contest" to, a felony under the laws of the United States or any State;

(4) willful, intentional or grossly negligent act having the effect of materially injuring (whether financially or otherwise) the business or reputation of the Company or of any of its affiliates, which to the extent it is deemed curable by the Employee, is not cured within 10 days after written notice thereof is given to the Employee by the Company; or

(5) willful misconduct with respect to any of Employee's material duties or obligations under the Agreement or applicable law or regulation, which, to the extent it is deemed curable is not cured within 10 days after written notice thereof is given to the Employee by the Company.

(ii) A purported termination of Employee's employment for Cause shall not be effective unless the Company provides written notice to Employee of the facts alleged by the Company to constitute Cause and such notice is delivered to Employee no more than 90 days after the Company has actual knowledge of such facts.

(iii) In the event that the Company terminates the Employee's Employment for Cause, the Employee shall receive the Base Salary through the Date of Termination, and any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination, as well as reimbursement for approved but unpaid business expenses through the Date of Termination. The Employee shall not be entitled to any compensation, benefits or other amounts from the Company or otherwise upon such termination, notwithstanding anything to the contrary contained in the Agreement or otherwise.

(c) Termination without Cause/Resignation. The Employee's Employment may be terminated at any time by the Company or by the Employee upon the Employee's resignation. In the event of the termination of the Employee's Employment by the Company for any reason (other than a termination for Cause), or the Employee's resignation for any reason, it is agreed that the terminating Party shall give the other Party three (3) months' notice of such termination in accordance with Section (f)(f)(d) below; *provided, however*, that in the event of termination of the Employee's Employment by the Company for any reason (other than a termination for Cause), or the Employee's resignation for any reason, that occurs upon, or during the twelve (12)-month period following, a Change in Control (as defined below), it is agreed that the terminating Party shall give the other Party six (6) months' notice of such termination in accordance with Section (f)(d) below. In the event of the Company's termination of Employee's Employment for any reason (other than a termination for Cause) or Employee's resignation for any reason: (i) the Employee shall receive the Base Salary through the Date of Termination, reimbursement for approved but unpaid business expenses through the Date of Termination, fully earned and declared (by the board of directors of the Company) Annual Target Bonus as of the Date of Termination which was not paid yet, any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination, and, if applicable, the separation benefits described in Section (f)0 below, and (ii) the Company shall have the right to determine whether or not the Employee will actively work during the notice period.

(d) Notice of Termination. Any termination of the Employee's Employment by the Company or by the Employee (other than termination upon the death of the Employee) shall be communicated by written Notice of Termination by such Party to the other Party in accordance with the notice provisions of the Agreement. Such Notice of Termination shall specify the last day of the Employee's Employment with the Company.

(e) Date of Termination. "***Date of Termination***" shall mean: (i) if the Employee's Employment is terminated by the Employee's death, the date of the Employee's death, or (ii) if the Employee's Employment is terminated pursuant to any of the other terms set forth herein, the date specified in the Notice of Termination.

(f) Transition. Regardless of the circumstances surrounding the Employee's termination of Employment, the Employee hereby agrees that upon the Employee's termination of Employment, the Employee will return to the Company all Company property and will make reasonable efforts to facilitate the orderly transition of the Employee's duties and responsibilities. Any such transition assistance following Employee's last day of employment with the Company, shall be at no out-of-pocket cost or expense to the Employee and shall be subject to Employee's commitments to any new employer.

(g) Separation Benefits.

(i) Non-Compete Payments after Termination not in connection with a Change of Control. In the event of the Company's termination of Employee's Employment not for Cause, or the Employee's resignation from Employment for Good Reason (as defined below), then in consideration for Employee's compliance with and performing of the obligations set forth in Section 2 of the Confidentiality and Ownership of Inventions, Unfair Competition, and Non-Solicitation Undertaking attached hereto as Schedule A (the "***Undertaking***"), during the noncompetition period as set forth in Section 2.1 of the Undertaking, the Company shall pay Employee, in a single lump-sum payment within 30 days after the Date of Termination an amount equal to 95% of the Base Salary, less applicable deductions and withholdings and less any severance pay-related amounts (if any) then paid, payable or accrued and released to or for the benefit of the Employee (whether pursuant to applicable law, any agreement, or otherwise) as a result of or in connection with such termination. The receipt of any payments herein is subject to Employee signing and not revoking a Release (as defined below) within the minimum time period required by applicable law, as specified by the Release.

(ii) For purposes of the Agreement, "***Good Reason***" means the occurrence of any of the following events without the Employee's consent; *provided, that* any resignation by the Employee due to any of the following conditions will only be deemed to have been made for Good Reason if: (i) the Employee gives the Company written notice of the circumstances alleged by Employee to constitute Good Reason and of the intent to terminate Employment for Good Reason, which notice will be delivered within 30 days following the first occurrence of the condition(s) that the Employee believes constitutes Good Reason and will describe such condition(s); (ii) the Company fails to remedy, if remediable, such condition(s) within 30 days following receipt of the Employee's aforesaid written notice (the "***Cure Period***"); (iii) the Employee has cooperated in good faith with Company's efforts to remedy such condition(s); and (iv) the Employee actually resigns from his/her Employment within the first 15 days after expiration of the Cure Period: (a) a material reduction by the Company of Employee's Base Salary or annual bonus target (if any) as in effect immediately prior to the reduction, *provided that* a compensation plan change that affects similarly all employees at similar levels will not constitute Good Reason; (b) a material reduction in the Employee's authority, duties or responsibilities, *provided that* a reduction that takes place within twelve (12) months following a Change in Control, or a change in job title or reporting relationship without a reduction in Employee's base salary or annual bonus target, will not constitute Good Reason; or (c) relocation of the offices at which the Employee is required to work to a location outside 50 miles from Employee's home. Employee's death or Disability will not constitute a without Cause termination or Good Reason resignation under the Agreement.

(iii) For purposes of the Agreement, a "***Change in Control***" shall mean a Merger/Sale as defined under the Company's 2017 Share Incentive Plan, as amended.

(iv) Non-Compete Payments after and Acceleration upon Termination in connection with a Change of Control. In the event of a Change in Control, if the Employee's Employment is terminated by the Company not for Cause or the Employee resigns from Employment for Good Reason, in either case, within twelve (12) months following the consummation of such a Change in Control, then (a) in consideration for Employee's compliance with and performing of the obligations set forth in Section 2 of the Undertaking during the noncompetition period as set forth in Section 2.1 of the Undertaking, the Company shall pay Employee, in a single lump-sum payment within 30 days after the Date of Termination (i) an amount equal to 100% of the Base Salary, plus (ii) a special bonus equal to 80% of the Base Salary, less applicable deductions and withholdings and less any severance pay-related amounts (if any) then paid, payable or accrued and released to or for the benefit of the Employee (whether pursuant to applicable law, any agreement, or otherwise) as a result of or in connection with such termination, and (b) any Options and other equity awards of the Company that have been granted to the Employee prior to the Change of Control and are outstanding as of the Date of Termination shall fully vest and become exercisable on such date in accordance with the terms of the applicable Plans. The receipt of any payments or accelerated vesting herein is subject to Employee signing and not revoking a Release (as defined below) within the minimum time period required by applicable law, as specified by the Release.

(v) Conditions Precedent. Any severance payments, benefits, or acceleration contemplated by this Section (f)0 are conditional on Employee: (i) continuing to comply with the terms of the Agreement and the Undertaking; and (ii) signing and not revoking a separation agreement and release of known and unknown claims in the form provided by the Company (including non-disparagement, cooperation with the Company and no cooperation with third parties provisions) (the "***Release***") and provided that such Release becomes effective and irrevocable within the minimum time period required by applicable law, as specified by the Release (such deadline, the "***Release Deadline***"). If the Release does not become effective by the Release Deadline, Employee will forfeit any rights to payments, benefits, or acceleration under this Section (f)(f)0 or elsewhere in the Agreement. Any severance payments under the Agreement that would not be considered deferred compensation subject to Section 409A will be paid on the first payroll date that occurs on or after the date the Release becomes effective.

(vi) Section 409A. The payments and benefits under the Agreement are intended to qualify for an exemption from application of Section 409A of the Code ("***Section 409A***") or comply with its requirements to the extent necessary to avoid adverse personal tax consequences under Section 409A, and any ambiguities herein will be interpreted accordingly. To the extent that any payment or benefit described in the Agreement constitutes "non-qualified deferred compensation" under Section 409A, and to the extent that such payment or benefit is payable upon the termination of the Employment, then such payments or benefits will be payable only upon Employee's "separation from service." The determination of whether and when a separation from service has occurred will be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h). Notwithstanding anything in the Agreement to the contrary, if at the time of Employee's separation from service, the Company determines that Employee is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that Employee become entitled to under the Agreement on account of Employee's separation from service would be considered deferred compensation subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment will not be payable and such benefit will not be provided until the date that is the earlier of (A) six months and one day after Employee's separation from service, (B) Employee's death, or (C) such earlier date as permitted under Section 409A without imposition of adverse taxation. The Company makes no representation or warranty and will have no liability to the Employee or any other person if any provisions of the Agreement are determined to constitute deferred compensation subject to Section 409A but do not satisfy an exemption from, or the conditions of, Section 409A.

(vii) Modified Economic Cutback Following a Sale Event. If any payment or benefit that the Employee would receive from the Company or otherwise in connection with a Change in Control or other similar transaction (a "***280G Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then any such 280G Payment (a "***Payment***") will be equal to the Reduced Amount. The "***Reduced Amount***" will be either (x) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount (i.e., the amount determined by clause (x) or by clause (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Employee's receipt, on an after-tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount is determined pursuant to clause (x) of the preceding sentence, the reduction will occur in the manner (the "***Reduction Method***") that results in the greatest economic benefit for the Employee. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata (the "***Pro Rata Reduction Method***").

Notwithstanding the foregoing, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A of the Code that would not otherwise be subject to taxes pursuant to Section 409A of the Code, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, will be modified so as to avoid the imposition of taxes pursuant to Section 409A of the Code as follows: (A) as a first priority, the modification will preserve to the greatest extent possible, the greatest economic benefit for the Employee as determined on an after-tax basis; (B) as a second priority, Payments that are contingent on future events (e.g., being terminated without Cause), will be reduced (or eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A of the Code will be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A of the Code.

Unless the Employee and the Company agree on an alternative accounting firm, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the change of control transaction triggering the Payment will perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the change of control transaction, the Company will appoint a nationally recognized accounting firm to make the determinations required hereunder. The Company will bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The Company will use commercially reasonable efforts to cause the accounting firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to the Employee and the Company within 15 calendar days after the date on which the Employee's right to a 280G Payment becomes reasonably likely to occur (if requested at that time by the Employee or the Company) or such other time as requested by the Employee or the Company.

If the Employee receives a Payment for which the Reduced Amount was determined pursuant to clause (x) of the first paragraph of this Section and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, the Employee will promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) of the first paragraph of this Section so that no portion of the remaining Payment is subject to the Excise Tax. For the avoidance of doubt, if the Reduced Amount was determined pursuant to clause (y) in the first paragraph of this Section, the Employee will have no obligation to return any portion of the Payment pursuant to the preceding sentence.

8. Employee Representations.

(a) The Employee hereby represents and warrants that the Employee's performance of the terms of this Agreement will not breach any written or oral agreement entered into by the Employee with a former employer or with any other third party. The Employee further represents and warrants that the Employee will not engage in additional employment or recreational activities that would in any way pose a conflict of interest with the Employment.

(b) The Employee hereby confirms that the Employee is not owed any amounts or entitled to any benefits from the Company and/or its affiliates for any period of employment, consulting or services provided by the Employee prior to the Effective Date, whether to the Company or to any of its affiliated entities, and that the Employee has been paid in full any amounts which may be due to the Employee on the part of the Company and/or its affiliates on account of any such period of employment, consulting or services provided.

(c) The Employee hereby acknowledges that the Employee's signing of the Undertaking constitutes a precondition of the Employment. The Employee further affirms that this Agreement and the Undertaking constitute the entire understanding of the Parties with respect to the subject matter hereof or otherwise to the Employee's employment with the Company, and supersede any and all understandings, agreements, promises, negotiations, proposals, discussions, understandings and arrangements whether oral or written, between the Company and the Employee.

(d) The Employee understands that the Employment and obligations of the Company pursuant to this Agreement are conditioned upon the Employee's presenting to the Company and maintaining, in each case as required by applicable law, authorization to work in the United States. It is understood that absent such work authorization, the terms of this Agreement shall be null and void, and the Company shall have no obligations hereunder. In the event that the Employee is actively employed by the Company at the time of a lapse in the Employee's work authorization for any reason, the Employment shall immediately terminate and the Company shall have no obligations with respect to the Employee or pursuant to this Agreement.

(e) The Employee acknowledges that the Employee has been advised to obtain independent counsel to evaluate the terms, conditions and covenants set forth in this Agreement and its attached Schedule A, and the Employee has been afforded ample opportunity to obtain such independent advice and evaluation. The Employee warrants to the Company that the Employee has relied upon such independent counsel and not upon any representation (legal or otherwise), statement or advice said or offered by the Company or the Company's counsel in connection with this Agreement.

9. No Retention Rights. Nothing in the Agreement or otherwise shall confer upon Employee the right to continue in the employ of, or be in the service of the Company or any subsidiary or other affiliate thereof as a service provider or to be entitled to any remuneration or benefits not set forth in the Agreement, or to interfere with or limit in any way the right of the Company or any such subsidiary or other affiliate thereof to terminate Employee's employment or service (including, any right of the Company or any of its affiliates to immediately cease the Employee's employment or service or to shorten all or part of the notice period, regardless of whether notice of termination was given by the Company or its affiliate or by the Employee). Employee shall not be entitled to claim and Employee hereby waives any claim against the Company or any Subsidiary or other affiliate thereof, that Employee was prevented from continuing to accrue any rights pursuant to the Agreement as of and through the date of termination of employment with, or services to, the Company or any Subsidiary or other affiliate thereof. Employee shall be entitled to any compensation which would have accrued had Employee's employment or engagement with the Company (or any Subsidiary or other affiliate thereof) not been terminated.

10. Notices. All notices and other communications under this Agreement shall be in writing and shall be given by email or first-class mail, certified or registered, and shall be deemed to have been duly given three (3) days after mailing, twenty-four (24) hours after transmission of email, or immediately upon acknowledgement of receipt, as follows:

If to the Company: **GAMIDA CELL INC.**
Attention: Board of Directors
116 Huntington Ave., 7th Floor
Boston, MA 02116

With a copy to:

Gamida Cell Inc.
Attention: General Counsel
Email: legalnotices@gamida-cell.com

If to the Employee: **ABIGAIL JENKINS**
[Contact information provided separately to the Company]

or as otherwise indicated as per the Company's personnel records for the Employee.

11. Remedies of the Company. Upon any termination of the Employment for Cause, the reasons for which may cause irreparable harm to the Company, the Company shall be entitled to institute and prosecute proceedings to obtain injunctive relief and damages, costs and expenses, including, without limitation, reasonable attorneys' fees and expenses.

12. Arbitration. Except as set forth above in Section 10 above and as set forth in the Undertaking, the Employee and the Company agree that any claim, controversy or dispute between the Employee and the Company (including, without limitation, its affiliates, officers, Employees, representative or agents) arising out of or relating to this Agreement, the Employment of the Employee, the cessation of Employment of the Employee, or any matter relating to the foregoing shall be submitted to and settled by arbitration pursuant to the Federal Arbitration Act in a forum of the American Arbitration Association ("***AAA***") located in the Commonwealth of Massachusetts and applying the substantive law of the Commonwealth of Massachusetts, unless otherwise mutually agreed upon by the Parties, and conducted in accordance with the National Rules for the Resolution of Employment Disputes. In such arbitration, the Parties shall agree upon a single arbitrator, who shall: (i) agree to treat as confidential evidence and other information presented by the Parties to the same extent as Confidential Information under the Undertaking must be held confidential by the Employee, (ii) have no authority to amend or modify any of the terms of this Agreement, and (iii) have ten (10) business days from the closing statements or submission of post-hearing briefs by the Parties to render his or her decision. Any arbitration award shall be final and binding upon the Parties, and any court, state or federal, having jurisdiction may enter a judgment on the award.

13. Enforceability of this Agreement.

(a) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereunder. If a court of competent jurisdiction determines that any portion of this Agreement is in violation of any statute or public policy only the portions of this Agreement that violate such statute or public policy shall be stricken, and all other portions of this Agreement that do not violate any statute or public policy shall continue in full force and effect. Further, if any one or more of the provisions contained in this Agreement is determined by a court of competent jurisdiction in any State to be excessively broad as to duration, scope, activity or subject, or is unreasonable or unenforceable under the laws of such State, such provisions will be construed by limiting, reducing, modifying or amending them so as to be enforceable to the maximum extent permitted by the law of that State. If the Agreement is held unenforceable in any jurisdiction, such holding will not impair the enforceability of the Agreement in any other jurisdiction.

(b) This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

(c) No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by the Employee and the Company. No waiver by either Party hereto at any time or any breach by the other Party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

(d) The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the Commonwealth of Massachusetts without regard to its conflicts of law principles, unless otherwise mutually agreed upon by the Parties.

(e) The Company shall have the right to assign its rights and obligations under this Agreement to any individual, entity, corporation or partnership that succeeds to all or a portion of the relevant business or assets of the Company. This Agreement is personal to the Employee, and the Employee may not assign the Employee's rights and obligations under this Agreement to any third party.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Employment Agreement as set forth below.

GAMIDA CELL INC.

By: /s/ Robert Blum
Name: Robert Blum
Title: Chairman of the Board

ABIGAIL JENKINS

By: /s/ Abigail Jenkins

SCHEDULE A:
CONFIDENTIALITY AND OWNERSHIP OF INVENTIONS, UNFAIR COMPETITION AND NON-SOLICITATION UNDERTAKING

This CONFIDENTIALITY AND OWNERSHIP OF INVENTIONS, UNFAIR COMPETITION AND NON-SOLICITATION UNDERTAKING ("***Undertaking***") is made and given as of September 18, 2022 by **ABIGAIL JENKINS** (the "***Employee***").

WHEREAS, the Employee wishes to be employed with and provide services that are of particular and special value to Gamida Cell Inc. (together with its direct or indirect parent, subsidiary and affiliated companies, and its and their respective successors and assigns – the "***Company***"); and

WHEREAS, it is critical for the Company to preserve and protect its Confidential Information, and its rights in Inventions and in all related intellectual property rights; and

WHEREAS, this Undertaking is a condition to Employee's employment with the Company pursuant to that certain Employment Agreement dated September 18, 2022 between Employee and the Company (as may be amended from time to time, the "***Employment Agreement***").

NOW, THEREFORE, as a condition to Employee's engagement with the Company, Employee hereby undertakes and warrants towards the Company as follows:

1. Confidentiality.

1.1. Employee acknowledges that during the term of the Employee's engagement with the Company, and including any period during which the Employee provided services to any Company entity at any time prior to the date hereof, the Employee may have (or may have had) access to information that relates to the Company, its business, assets, financial condition, affairs, activities, plans and projections, customers, suppliers, partners, and other third parties with whom the Company agreed or may agree, from time to time, to hold information of such parties in confidence (the "***Confidential Information***"). Confidential Information shall include, without limitation, information, whether or not marked or designated as confidential, concerning technology, products, research and development, patents, copyrights, Inventions, trade secrets (as defined by the Defend Trade Secrets Act, 18 U.S.C. § 1839(3) and any applicable state law), test results, formulae, processes, data, know-how, marketing, promotion, business and financial plans, policies, practices, strategies, surveys, analyses and forecasts, financial information, customer lists, agreements, transactions, undertakings and data concerning employees, consultants, officers, directors, and shareholders. Confidential Information includes information in any form or media, whether documentary, written, oral, magnetic, electronically transmitted, through presentation or demonstration or computer generated. Confidential Information shall not include information that has become part of the public domain not as a result of a breach of any obligation owed to the Company by Employee or any third party.

1.2. Employee acknowledges and understands that the engagement of the Employee with the Company and the access to Confidential Information creates a relationship of confidence and trust with respect to such Confidential Information.

1.3. During the term of Employee's engagement with the Company and at any time after termination or expiration thereof, for whatever reason, subject to Section 1.4 below, Employee shall keep in strict confidence and trust, shall safeguard, and shall not disclose to any person or entity, nor use for the benefit of any party other than the Company, any Confidential Information, other than with the prior express consent of the Company, unless the Employee has an independent right or obligation to make such disclosure pursuant to applicable local, state or federal law, provided, that Employee gives the Company prompt notice of such requirement to disclose so that the Company may seek a protective order or other appropriate remedy, and provided further, that Employee shall furnish only that portion of the Confidential Information which is legally required to be disclosed, and shall exercise all reasonable efforts to obtain confidential treatment for such information.

1.4. Notice of Immunity: Employee acknowledges that via this paragraph the Company is providing the Employee with written notice that the Defend Trade Secrets Act, 18 U.S.C. § 1833(b), provides immunity for the disclosure of a trade secret for the purpose of reporting a suspected violation of law and/or in an anti-retaliation lawsuit, in that (i) an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, in each case solely for the purpose of reporting or investigating a suspected violation of law, or where such disclosure is made via a complaint or other document filed in a lawsuit or other proceeding, as long as such filing is made under seal, and (ii) an individual who files a lawsuit for retaliation by an employer or contracting party on account of the individual having reporting a suspected violation of law, may disclose the relevant trade secret to the individual's attorney and may use such trade secret information in the applicable court proceeding, as long as any document containing such trade secret is filed under seal, and as long as the individual does not disclose such trade secret, except pursuant to court order.

1.5. All right, title and interest in and to Confidential Information are and shall remain the exclusive property solely of the Company or the property of the third party providing such Confidential Information to the Company, as the case may be. Without limitation of the foregoing, Employee agrees and acknowledges that all memoranda, books, notes, records, email transmissions, charts, formulae, specifications, lists and other documents (contained on any media whatsoever) made, reproduced, compiled, received, held or used by Employee in connection with the engagement with the Company or that otherwise relates to any Confidential Information (the "***Confidential Materials***"), shall be the exclusive property solely of the Company and shall be deemed to be Confidential Information. All originals, copies, reproductions and summaries of the Confidential Materials shall be delivered by Employee to the Company upon termination or expiration of Employee's engagement with the Company for any reason, or at any earlier time at the request of the Company, without Employee retaining any copies thereof.

1.6. During the term of Employee's engagement with the Company, Employee shall not remove from the Company's offices or premises any Confidential Materials unless and to the extent necessary in connection with the duties and responsibilities of the Employee and permitted pursuant to the then applicable policies and regulations of the Company. In the event that any such Confidential Materials are duly removed from the Company's offices or premises, Employee shall take all actions necessary in order to secure the safekeeping and confidentiality of such Confidential Materials and return the Confidential Materials to their proper files or location as promptly as possible after such use.

1.7. During the term of Employee's engagement with the Company, Employee will not improperly use or disclose any Confidential Information, and will not bring onto the premises of the Company any unpublished documents or any property, in each case belonging to any former employer or any other party to whom Employee has an obligation of confidentiality and/or non-use (including, without limitation, any academic institution or any entity related thereto), unless generally available to the public or consented to by such third party in a writing addressed to the Company.

2. Unfair Competition and Non-Solicitation.

2.1. Employee undertakes that during the term of engagement with the Company and the Tail Period (as defined below), regardless of the reason for Employee's separation from Company, Employee shall not, directly or on behalf of any other third party: (i) engage in or establish or otherwise become involved in, either as an employee, owner, partner, agent, shareholder, director, consultant or otherwise, any business, occupation, work or any other activity involving stem cell therapies and/or NK cells, in each case relating to the treatment of cancer; (ii) solicit, hire or retain as an employee, consultant or otherwise, any employee of the Company or induce or attempt to induce any such employee to terminate or reduce the scope of such employee's employment with the Company; and (iii) solicit or induce, or attempt to solicit or induce, any employee, consultant, service provider, business partner, agent, distributor, supplier or customer of the Company, or any third party with respect to which the Company took substantial steps to engage as an employee or as any of the foregoing capacities during the period of Employee's engagement with the Company, to terminate, reduce or modify the scope of its or their engagement with the Company or work for, in any capacity, a competitor of the Company. It is understood that the restrictions set forth in Section 2.1(i) above shall apply only to those geographical areas in which the Company actively conducts, or takes meaningful steps to actively conduct its business during the period of Employee's employment at the Company. By signing this Undertaking, Employee represents and confirms that the restrictions set forth in this paragraph are not unduly burdensome, financially or otherwise, for the Employee. For purposes of this Undertaking, the "***Tail Period***" means (i) in the event Employee's separation from the Company arises from a termination by the Company not for Cause (as defined in the Employment Agreement) or a resignation by the Employee for Good Reason (as defined in the Employment Agreement), a period of twelve (12) months from the termination date *provided that* the payments pursuant to Section 7(g) of the Employment Agreement shall have been duly paid to the Employee, and (ii) in the event Employee's separation from the Company arises from any other reason, a period of six (6) months from the termination date.

2.2. Employee acknowledges that in light of Employee's position at the Company and in view of Employee's exposure to, and involvement in, the Company's sensitive and valuable proprietary information, intellectual property and technologies, Confidential Information and Confidential Materials (the "***Company's Material Assets***"), the provisions of this Section 2 are reasonable and necessary to legitimately protect the Company's Material Assets, and are being undertaken by Employee as a condition to the engagement of Employee by the Company. Employee confirms that Employee has carefully reviewed the provisions of this Section 2, fully understands the consequences thereof and has assessed the respective advantages and disadvantages to Employee of entering into this Undertaking and, specifically, Section 2 hereof. Employee understands that, Employee has the right to consult with counsel prior to signing this Undertaking. By signing this Undertaking, Employee confirms that Employee has had ample time to exercise such right. Notwithstanding anything to the contrary contained in the Agreement or otherwise, the Employee declares that she is financially capable of undertaking these non-compete and non-solicitation provisions.

2.3. Employee acknowledges that the scope and period of restrictions and the geographical area to which the restrictions apply are fair and reasonable and are reasonably required for the protection of the legitimate business interests of the Company.

2.4. Employee acknowledges and agrees that the enforcement of the covenants in this Section 2, and otherwise in this Undertaking, is not contingent upon the payment of any additional cash consideration or the grant of any benefit, and that any payments (if any) made to Employee by the Company during the post-termination period set forth in Section 2.1 above (such as non-compete payments, on certain circumstances) shall not limit or otherwise affect the enforceability of the covenants for the entire period set forth above, and that good and valid consideration exists for the covenants herein apart from any cash consideration, and that such covenants are separately justified, appropriate and based on legitimate business reasons, regardless of the circumstances surrounding Employee's separation from the Company.

2.5. If Employee's employment with the Company is based in the Commonwealth of Massachusetts: then Section 7(g) in the Employment Agreement and this Section 2 shall not apply if Employee's employment is terminated by Company without Performance Cause. For the purposes hereof, Employee agrees that "***Performance Cause***" shall mean a termination of Employee's employment by Company due to: (a) Employee's misconduct, (b) failure to meet Company's performance expectations, or (c) any other reason qualifying as Cause (as defined herein). The Employee further acknowledges that the separation benefits described in Section 7(g) of the Employment Agreement are the mutually agreed upon consideration for the enforcement of this Section 2.

3. Ownership of Inventions.

3.1. Employee will notify and disclose in writing to the Company, or any persons designated by the Company from time to time, all information, improvements, inventions, trademarks, works, designs, trade secrets, formulae, processes, techniques, know-how and data, whether or not patentable or registerable under copyright or any similar laws, made or conceived or reduced to practice or learned by Employee, either alone or jointly with others, during Employee's engagement with the Company (including after hours, on weekends or during vacation time) (all such information, improvements, inventions, trademarks, works, designs, trade secrets, formulae, processes, techniques, know-how, and data are hereinafter referred to as the "***Invention(s)***") immediately upon discovery, receipt or invention as applicable.

3.2. Employee agrees that all of the Inventions are, upon creation, considered Inventions of the Company, shall be the exclusive property solely of the Company and its assignees, and the Company and its assignees shall be the sole owner of all patents, copyrights, trade secrets and all other rights of any kind or nature, including moral rights, in connection with such Inventions. Employee hereby irrevocably and unconditionally assigns to the Company all the following with respect to any and all Inventions: (i) title, rights and interest in and to such Inventions, (ii) title, rights and interest in and to any patents, patent applications, and patent rights, including any and all continuations or extensions thereof; (iii) rights associated with works of authorship, including copyrights and copyright applications, Moral Rights (as defined below) and mask work rights; (iv) rights relating to the protection of trade secrets and confidential information; (v) design rights and industrial property rights; (vi) any other proprietary rights relating to intangible property including trademarks, service marks and applications therefor, trade names and packaging and all goodwill associated with the same; and (vii) all rights to sue for any infringement of any of the foregoing rights and the right to all income, royalties, damages and payments with respect to any of the foregoing rights. Employee also hereby forever waives and agrees never to assert any and all Moral Rights Employee may have in or with respect to any Inventions, even after termination of Employee's engagement with the Company. "***Moral Rights***" means any right to claim authorship of a work, any right to object to any distortion or other modification of a work, and any similar right, existing under the law of any country in the world, or under any treaty. The Employee further acknowledges and agrees that all copyrightable works included in the Inventions shall be "works made for hire" within the meaning of the Copyright Act of 1976, as amended (17 U.S.C. §101) (the "***Act***"), and that the Company shall be the "author" within the meaning of the Act.

3.3. Employee represents that there are no information, improvements, inventions, formulae, processes, techniques, know-how and data, whether or not patentable or registerable under copyright or any similar laws, and whether or not reduced to practice, original works of authorship and trade secrets made or conceived by or belonging to Employee (whether made solely by the Employee or jointly with others) that: (i) were developed by the Employee prior to Employee's engagement with the Company, (ii) relate to the Company's actual or proposed business, products or research and development, and (iii) are not assigned to the Company hereunder.

3.4. Employee further agrees to perform, during and after Employee's engagement with the Company, all acts deemed reasonably necessary or desirable by the Company to permit and assist it, at the Company's expense, in obtaining, maintaining, defending and enforcing the Inventions in any and all countries. Such acts may include, but are not limited to, execution of documents and assistance or cooperation in legal proceedings. Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents, as Employee's agents and attorneys-in-fact to act for and on Employee's behalf and instead of Employee, to execute and file any documents and to do all other lawfully permitted acts to further the above purposes with the same legal force and effect as if executed by Employee.

3.5. Employee shall not be entitled, with respect to any and all of the above, to any monetary consideration or any other consideration except as explicitly set forth in the Employment Agreement. Without limitation of the foregoing, Employee irrevocably confirms that the consideration explicitly set forth in the Employment Agreement is in lieu of any rights for compensation that may arise in connection with the Inventions under applicable law and waives any right to claim royalties or other consideration with respect to any Invention, including under Section 134 of the Israeli Patent Law, 1967 (or any successor or equivalent law in any jurisdiction). With respect to any and all of the above, any oral understanding, communication or agreement not memorialized in writing and duly signed by an authorized officer of the Company, shall be void.

4. General.

4.1. Employee represents that the performance of all the terms of this Undertaking and of all of Employee's duties and services to the Company does not and will not breach any invention assignment, proprietary information, non-compete, confidentiality or similar agreements with, or rules, regulations or policies of, any former employer or other party (including, without limitation, any academic institution or any entity related thereto). Employee acknowledges that the Company is relying upon the truthfulness and accuracy of such representations in engaging Employee.

4.2. Employee acknowledges that the provisions of this Undertaking serve as an integral part of the terms of Employee's engagement with the Company and reflect the reasonable requirements of the Company in order to protect its legitimate interests with respect to the subject matter hereof. The Employee hereby explicitly acknowledges that the restrictions set forth in this Undertaking are not greater than required and do not unduly burden the Employee.

4.3. It is agreed and understood that if a court of law finds that the Employee has violated Section 2 of this Undertaking, then the restrictions set forth in such section shall automatically be extended for any period of time for which the court finds that the Employee violated such restrictions.

4.4. Employee recognizes and acknowledges that in the event of a breach or threatened breach of this Undertaking by Employee, the Company may suffer irreparable harm or damage and that under such circumstances monetary remedies would be inadequate to protect against any actual or threatened breach of this Undertaking. Without prejudice to any other rights and/or remedies otherwise available to the Company, it is therefore agreed that the Company will be entitled to the granting of equitable relief, including but not limited to injunctive relief and specific performance, in favor of the Company without proof of actual damages to remedy or prevent any breach of this Undertaking (without limitation to any other remedy at law or in equity).

4.5. This Undertaking shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to any conflict of laws principles which may result in the application of the laws of any other jurisdiction. Any and all disputes in connection with this Undertaking shall be submitted to the exclusive jurisdiction of the competent courts or tribunals, as applicable, located in the Commonwealth of Massachusetts. It is agreed that each party irrevocably consents to the exercise of personal jurisdiction over such party by such court, agrees that venue shall be proper in such court, and irrevocably waives and releases any and all defenses based on lack of personal jurisdiction, improper venue or *forum non conveniens*.

4.6. If any provision of this Undertaking is determined by any court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such provision will be enforced to the maximum extent possible given the intent of the parties hereto. If such clause or provision cannot be so enforced, such provision shall be stricken from this Undertaking only with respect to such jurisdiction in which such clause or provision cannot be enforced, and the remainder of this Undertaking shall be enforced as if such invalid, illegal or unenforceable clause or provision had (to the extent not enforceable) never been contained in this Undertaking. In addition, if any particular provision contained in this Undertaking shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be construed by limiting and reducing the scope of such provision so that the provision is enforceable to the fullest extent compatible with applicable law.

4.7. The provisions of this Undertaking shall continue and remain in full force and effect following the termination or expiration of the engagement between the Company and Employee, for whatever reason. This Undertaking shall not serve in any manner so as to derogate from any of Employee's obligations and liabilities under any applicable law.

4.8. This Undertaking constitutes the entire agreement between Employee and the Company with respect to the subject matter hereof and supersedes all prior agreements, proposals, understandings and arrangements, if any, whether oral or written, with respect to the subject matter hereof. No amendment, waiver or modification of any obligation under this Undertaking will be enforceable unless set forth in a writing signed by an authorized officer of the Company. No delay or failure to require performance of any provision of this Undertaking shall constitute a waiver of that provision as to that or any other instance. No waiver granted under this Undertaking as to any one provision herein shall constitute a subsequent waiver of such provision or of any other provision herein, nor shall it constitute the waiver of any performance other than the actual performance specifically waived.

4.9. All notices and other communications under this Undertaking shall be in writing and shall be given in person, by fax, electronic or certified or registered mail, and shall be deemed to have been duly given twenty-four (24) hours after transmission of a fax or electronic email, three (3) days after sending a notice by certified or registered mail, or immediately upon delivery in person or explicit confirmation of receipt.

4.10. This Undertaking, the rights of the Company hereunder, and the obligations of Employee hereunder, will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives. The Company may assign any of its rights under this Undertaking. Employee may not assign, whether voluntarily or by operation of law, any of its obligations under this Undertaking, except with the prior written consent of an authorized officer of the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has executed and delivered this CONFIDENTIALITY AND OWNERSHIP OF INVENTIONS, UNFAIR COMPETITION AND NON-SOLICITATION UNDERTAKING effective as of the date first mentioned above.

Employee:

/s/ Abigail Jenkins Date: September 18, 2022

ABIGAIL JENKINS

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement"), dated as of March 12, 2024 (the "Effective Date") is by and between **GAMIDA CELL, INC.**, a Delaware Corporation (the "Company"), and **MICHELE KORFIN** (the "Employee") (individually, each a "Party" and collectively, the "Parties").

WHEREAS, Employee is employed by the Company and performs services for the Company and its affiliated entities on the terms and conditions set forth in that certain Employment Agreement by and between the Company and Employee, dated as of July 20, 2020 (the "Original Agreement");

WHEREAS, the Parties entered into a Retention Bonus and Special Transaction Bonus Agreement (the "Bonus Agreement") on May 20, 2023, wherein Company offered to pay Employee a retention bonus and a special transaction bonus upon satisfaction of conditions specified therein; and

WHEREAS, the Parties wish to amend and restate the Original Agreement and Bonus Agreement such that, effective as of the Effective Date, the terms of this Agreement shall amend, restate, supersede, and replace all of the terms set forth in the Original Agreement and Bonus Agreement, and the Employee's Employment (as defined below) shall be governed solely and exclusively by the terms set forth in this Agreement.

NOW, THEREFORE, in consideration of the promises and the respective covenants and agreements of the Parties herein contained, and intending to be legally bound hereby, the Parties hereto agree as follows:

1. Employment. As of the Effective Date, Employee hereby agrees to continue to be employed by the Company and to perform services for the Company, its subsidiaries and affiliates, on the terms and conditions set forth herein (the "Employment"). Effective as of the Effective Date, the terms of this Agreement shall amend, restate, supersede, and replace all of the terms set forth in the Original Agreement and the Employee's Employment shall be governed solely and exclusively by the terms set forth in this Agreement.

2. Term. The Parties acknowledge and agree that the Employment commenced on August 15, 2020 (the "Start Date"). As of the Effective Date, Employee's Employment shall continue until terminated by either the Employee or the Company, pursuant to Section 7 hereof (the period of Employment pursuant to this Agreement, the "Term").

3. Positions. During the Term, the Employee shall serve as the Company's Chief Commercial Officer and Chief Operating Officer (the "Positions").

4. Duties and Reporting Relationship. During the Term, the Employee shall devote one hundred percent of the Employee's regular business time and, on a full-time basis, use the Employee's skills and render services to the best of the Employee's abilities on behalf of the Company. The Employee shall report directly to the Chief Executive Officer of the Company (the "Supervisor"). The Employee agrees that to the best of the Employee's ability, the Employee will make all efforts to loyally and conscientiously perform the duties and obligations required of and from the Employee pursuant to the terms of this Agreement. The Employee shall be responsible for all duties reasonably associated with the Positions, as determined by the Supervisor, as may be updated from time to time. The Employee shall comply with all of the lawful policies and procedures of the Company.

5. Place of Performance. The Parties agree that the Employee shall work from the Employee's home office in New Jersey and travel to the Company's Boston, Massachusetts office on an as-needed basis, as determined reasonably appropriate by the Company. The Employee acknowledges and agrees that, in connection with the Employment for the Company, on an as-needed basis, the Employee will be required to travel throughout North America as well as outside of the North America geographical area, including but not limited to the State of Israel.

6. Compensation and Related Matters.

(a) Annual Base Salary. As of the Effective Date, the Company shall pay to the Employee an annual base salary (the "Base Salary") at a rate of Four Hundred Eighty Thousand and Seven Hundred United States Dollars ($480,700), to be paid on a prorated basis in conformity with the Company's payroll policies relating to its employees, in each case less applicable withholdings and deductions, not less frequently than twice each month. The Positions qualify as exempt from overtime payments for hours worked in excess of forty (40) per week, and the Employee will therefore not be entitled to any such overtime compensation. Employee's Base Salary shall be reviewed annually as part of the Company's normal salary review process by the Company and may be increased by the Company in its sole discretion. For the avoidance of doubt, any such increased annual base salary shall be considered Employee's "Base Salary" for all purposes of this Agreement.

(b) Annual Target Bonus. In addition to the compensation set forth above in Section 6(a), following each calendar year, the Employee shall be eligible for an annual target bonus of up to Forty Percent (40%) of the Base Salary as in effect at the start of that calendar year, upon the attainment of goals and targets established in writing by the Company's Board of Directors (the "Board"), with such annual target bonus (if earned and declared) to be paid to the Employee in the payroll cycle for March of the year that immediately follows such calendar year, less applicable withholdings and deductions (the "Annual Target Bonus").

(c) Benefits. During the Term hereof, the Employee shall be entitled to the following benefits:

(i) Health Insurance. The Company shall make available to the Employee health insurance coverage for the Employee, in accordance with the policies obtained by the Company on behalf of similarly situated employees. Such health insurance shall include medical, dental and vision coverage.

(ii) 401(k). The Employee shall be eligible to participate in the Company's 401(k) Plan, in accordance with the terms of such Plan.

(iii) Disability Coverage; D & O Insurance. The Employee shall be eligible for both short-term and long-term disability coverage in accordance with the plans secured by the Company and made available to similarly situated employees. In addition, the Employee will be insured under the Company's D & O liability coverage, pursuant to the terms of such coverage.

(iv) Stock Options. The Parties acknowledge and agree that, in accordance with the Original Agreement, Employee was granted options to purchase 500,000 ordinary shares of Gamida Cell Ltd. (the "Parent") (the "Options"), pursuant to the terms of the Parent's Stock Incentive Plan and applicable grant agreements, as approved and adopted by the Board of Directors of the Parent ("Parent Board") (all applicable agreements, collectively, the "Plans"). All matters related to such Options, including but not limited to the exercise price and the required execution of any governing agreement and/or other documentation, shall be subject to the sole discretion of the Parent Board. It is understood that nothing herein is intended to constitute a grant of, or right to, any share capital of the Company, and it is hereby confirmed that the Employee shall be solely responsible for any tax liability incurred in connection with the Options, including but not limited to with respect to the grant, exercise, and/or sale of such Options.

(v) Paid Time Off.

(1) Vacation. The Employee shall be entitled to take twenty (20) days of vacation per calendar year, with such days to be prorated for partial years of employment. It is agreed that the Employee shall coordinate the timing of taking such vacation days with the Supervisor. The Employee shall be entitled to carry over accrued but unused vacation days from one calendar year into the following calendar year, but at no time shall the Employee accrue more than twenty (20) days of vacation.

(2) Holidays. In addition to vacation days, the Employee shall be entitled to take off the following paid holidays each calendar year: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve, Christmas Day and New Year's Eve. The Company does not pay out worked holidays.

(3) Sick Time. The Employee will be eligible to take paid sick time off from work, in accordance with applicable law, up to a maximum of forty (40) hours per calendar year. Accrued but unused sick time shall be carried over from one calendar year to the following calendar year, with a maximum of forty (40) hours to be used for purposes of sick time in any given calendar year.

(4) Separation from the Company. Upon the Employee's termination of employment by the Company or the Employee's resignation, the Employee will be entitled to the payout of any accrued but unused vacation days, but will not be eligible for payout on account of unused sick time or worked holidays.

(vi) Company Property. Any Company property provided to the Employee, including but not limited to a laptop, shall remain at all times the property of the Company, and only be used by the Employee in accordance with Company guidelines. Upon the Employee's termination of employment for any reason, the Employee will be obligated to immediately return the laptop to the Company.

(vii) Business Expenses. The Employee will be eligible for reimbursement of preapproved reasonable business expenses, including cell phone expenses as per a mutually agreed upon cell phone plan, as well as other expenses incurred in accordance with the Company's business expense reimbursement policies, as may be updated from time to time by the Company.

(d) Section 409A of the Internal Revenue Code of 1986, as amended. The Parties hereby affirm that with respect to any and all payments and benefits under this Agreement, the intent is that such payments and benefits either: (i) do not constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Internal Revenue Code ("Section 409A"), and therefore are exempt from Section 409A, (ii) are subject to a "substantial risk of forfeiture" and are exempt from Section 409A under the "short□term deferral rule" set forth in Treasury Regulation §1.409A□1(b)(4), or (iii) are in compliance with Section 409A. In any event, the Parties further confirm that they intend to have all provisions of this Agreement construed, interpreted and administered in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(e) The Employee shall be responsible for the payment of applicable taxes and other compulsory payments imposed by law on the Employee, in respect of, or resulting from, the compensation and the benefits paid or granted to, or received by the Employee, or contributed by the Company, or to which the Employee is or may be entitled, pursuant to this Agreement or the Employee's Employment with the Company. The Company shall withhold or deduct from any payment or compensation to which the Employee is entitled, applicable amounts as required by law.

7. Termination. The Employee's Employment hereunder may be terminated without breach of this Agreement as set forth below:

(a) Death; Disability. The Employee's Employment hereunder shall terminate upon the Employee's death or "Disability" (as hereafter defined). Upon any such termination, the Employee (or, in the event of the Employee's death, the Employee's estate) shall receive the Base Salary through the "Date of Termination" (as hereafter defined), as well as (i) reimbursement for unpaid business expenses through such date and (ii) any fully earned and declared but unpaid Annual Target Bonus as of the Date of Termination. The Employee (and, in the event of the Employee's death, the Employee's estate) shall not be entitled to any other amounts or benefits from the Company or otherwise. For purposes of this Agreement, "Disability" shall mean the inability of the Employee to perform the Employee's duties on account of a physical or mental illness for a period of sixty (60) consecutive days, or for ninety (90) days in any six (6) month period. Notwithstanding anything contained herein to the contrary, during any period of Disability, the Company shall not be obligated to pay any compensation or other amounts to the Employee, except as mandated by applicable law.

(b) Cause. The Company may terminate the Employee's Employment hereunder for Cause at any time upon written notice to Employee.

(i) For purposes of this Agreement, the Company shall have "Cause" to terminate the Employee's Employment hereunder upon the Employee's:

(1) commission of fraud, embezzlement, gross negligence, an act or acts constituting a felony under the laws of the United States or any state thereof, or a willful or grossly negligent act or omission which results in an assessment of a civil or criminal penalty against the Employee, or the Company or its affiliates;

(2) willful or continued failure to substantially perform the Employee's duties as directed by the Company; or

(3) violation of the terms of this Agreement or of the Undertaking (as defined below) in any material respect.

(ii) A purported termination of Employee's Employment for Cause shall not be effective unless (A) the Company provides written notice to Employee of the facts alleged by the Company to constitute Cause and such notice is delivered to Employee no more than 90 days after the Company has actual knowledge of such facts and (B) Employee has been given an opportunity of no less than 10 days after receipt of such notice to cure the circumstances alleged to give rise to Cause, and the Company has cooperated in good faith with Employee's efforts to cure such condition or circumstance, but only to the extent that such circumstances are reasonably curable.

(iii) In the event that the Company terminates the Employee's Employment for Cause, the Employee shall receive the Base Salary through the Date of Termination, as well as reimbursement for approved but unpaid business expenses through such date. The Employee shall not be entitled to any other amounts or benefits from the Company.

(c) Termination without Cause/Resignation. The Employee's Employment hereunder may be terminated at any time by the Company or by the Employee upon the Employee's resignation. In the event of the termination of the Employee's Employment by the Company for any reason (other than a termination for Cause), or the Employee's resignation for any reason, it is agreed that one Party shall give the other Party one (1) month's notice of such termination in accordance with Section 7(d) hereunder (the "Notice Period"). In the event of the Company's termination of Employee's Employment for any reason (other than a termination for Cause) or Employee's resignation for any reason the Employee shall receive the Base Salary through the Date of Termination, reimbursement for approved but unpaid business expenses through the Date of Termination, any fully earned and declared (by the Board) Annual Target Bonus as of the Date of Termination which was not paid yet, and, if applicable, the Severance Benefits described in Section 7(g)(i), and without, however, derogating from the Company's rights under Section 9 below to terminate the Employee's Employment without Notice Period (in whole or in part, together with the payment of Base Salary in lieu of the part so waived) and to determine whether or not the Employee will attend work during the Notice Period or any part thereof.

(d) Notice of Termination. Any termination of the Employee's Employment by the Company or by the Employee (other than termination upon the death of the Employee) shall be communicated by written Notice of Termination by such Party to the other in accordance with Section 10 of this Agreement. Such Notice of Termination shall specify the last day of the Employee's Employment with the Company.

(e) Date of Termination. "Date of Termination" shall mean: (i) if the Employee's Employment is terminated by the Employee's death, the date of the Employee's death, or (ii) if the Employee's Employment is terminated pursuant to any of the other terms set forth herein, the date specified in the Notice of Termination.

(f) Transition. Regardless of the circumstances surrounding the Employee's termination of Employment, the Employee hereby agrees that upon the Employee's termination of Employment, the Employee will return to the Company all Company property and will make reasonable efforts to facilitate the orderly transition of the Employee's duties and responsibilities. Any such transition assistance following Employee's last day of Employment with the Company, shall be at no out-of-pocket cost or expense to the Employee and shall be subject to Employee's commitments to any new employer.

(g) Severance Benefits.

(i) Severance Benefits after Termination by the Company not for Cause or the Employee's Resignation from Employment for Good Reason. In the event of the Company's termination of Employee's Employment not for Cause or the Employee's resignation from Employment for Good Reason, then in consideration for Employee's compliance with and performing of the obligations set forth in Section 2.1 of the Undertaking, as amended by Section 8(c) of this Agreement, the Company shall pay to the Employee (A) in a single a lump-sum severance payment an amount equal to six (6) months' Base Salary, less applicable deductions and withholdings, and (B) an amount equal to the cash value of six (6) months of Employee's applicable COBRA premiums, less applicable deductions and withholdings, (including the amount of COBRA premiums for any of Employee's eligible dependents, as determined by the Company in its sole discretion) which Employee may, but is not obligated to, use towards the cost of COBRA premiums; *provided, however*, Employee shall be eligible to receive an amount equal to the cash value of up to seven (7) months of Employee's applicable COBRA premiums, less applicable deductions and withholdings, in the event that the Company waives all or part of the Notice Period (collectively, the "Severance Benefits"). The receipt of any payments herein is subject to Employee signing and not revoking a Release (as defined below) within the minimum time period required by applicable law, as specified by the Release. The Severance Benefits under this Section 7(g)(i) shall be in addition to the Base Salary paid to Employee during or in lieu of the Notice Period. For avoidance of doubt, in no event shall this Section 7(g)(i)(B) operate to result in Employee receiving an amount greater than the amount equal to the cash value of seven (7) months of COBRA premiums, less applicable deductions and withholdings.

(ii) For purposes of this Agreement, "Good Reason" means (i) a material reduction in the Employee's title, duties or obligations at the Company (unless such material reduction takes place within twelve (12) months following a Change in Control, in which case such material reduction shall not qualify as Good Reason), (ii) relocation of Employee's primary place of work to a location more than 25 miles from Employee's home, or (iii) a violation of the terms of this Agreement by the Company in any material respect, (iv) if, in connection with a Change in Control, the Acquiror does not offer Employee Comparable Employment (as defined below), or offers Comparable Employment that does not include equivalent or greater severance benefits than the Severance Benefits set forth in Section 7(g)(i) above, as reasonably determined by the Company in its sole discretion; or (v) solely for purpose of Section 7(g)(iv) below – the expiration of a 12-month period following a Change in Control (as defined below) if Employee has continuously been employed with the Company until such time. A purported resignation by Employee for Good Reason shall not be effective unless (A) Employee provides written notice to the Company of the circumstances alleged by Employee to constitute Good Reason and such notice is delivered to the Company no more than 30 days after the occurrence of such circumstances and (B) Employee has cooperated in good faith with Company's efforts to cure such circumstance, and the Company fails to cure such circumstances within thirty (30) days of receiving such written notice from the Employee.

(iii) For purposes of this Agreement, a "Change in Control" shall mean a sale of all or substantially all of the shares or assets of the Parent, or a merger, consolidation or similar event pursuant to a transaction or series of related transactions in which a third party acquires more than fifty percent (50%) of the voting power of the Parent immediately prior to such event, and the stockholders of the Parent immediately prior to such event do not retain a majority of the voting power in the surviving corporation or in the parent company of the surviving entity (other than the reincorporation of the Company Parent and other than a direct equity investment in the Parent).

(iv) Acceleration of Options. In the event of a Change in Control, (i) 50% of the then unvested Options and 50% of any other then unvested equity awards of the Company held by Employee shall fully vest as of immediately prior to such Change in Control, provided that the Employee signs (and does not revoke, as applicable) the Release (as defined and otherwise set forth below). In addition, if the Employee's Employment is terminated by the Company without Cause or the Employee resigns from Employment for Good Reason, in either case, within twelve (12) months following a Change in Control, or if Employee is continuously employed with the Company until expiration of a twelve (12)-month period following a Change in Control, then any Options and other equity awards of the Company that have been granted to the Employee as of the Date of Termination shall fully vest and become exercisable on such date in accordance with the terms of the applicable Plans, provided that the Employee signs (and does not revoke, as applicable) the Release.

(v) Conditions Precedent. Any severance payments, benefits, or acceleration contemplated by this Section 7(g) are conditional on Employee: (i) continuing to comply with the terms of this Agreement and the Undertaking; and (ii) signing and not revoking a separation agreement and release of known and unknown claims in the form provided by the Company (including nondisparagement and no cooperation with third parties provisions) (the "Release") and provided that such Release becomes effective and irrevocable no later than sixty (60) days following the termination date or such earlier date required by the release (such deadline, the "Release Deadline"). If the Release does not become effective by the Release Deadline, Employee will forfeit any rights to severance payments, benefits, or acceleration under this Section 7(g) or elsewhere in this Agreement. Any severance payments under this Agreement that would not be considered deferred compensation subject to Section 409A will be paid on, or, in the case of installments, will not commence until, the first payroll date that occurs on or after the date the Release becomes effective.

(vi) Section 409A. The payments and benefits under the Agreement are intended to qualify for an exemption from application of Section 409A or comply with its requirements to the extent necessary to avoid adverse personal tax consequences under Section 409A, and any ambiguities herein will be interpreted accordingly. To the extent that any payment or benefit described in the Agreement constitutes "non-qualified deferred compensation" under Section 409A, and to the extent that such payment or benefit is payable upon the termination of the Employment, then such payments or benefits will be payable only upon Employee's "separation from service." The determination of whether and when a separation from service has occurred will be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h). Notwithstanding anything in the Agreement to the contrary, if at the time of Employee's separation from service, the Company determines that Employee is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that Employee become entitled to under the Agreement on account of Employee's separation from service would be considered deferred compensation subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment will not be payable and such benefit will not be provided until the date that is the earlier of (A) six months and one day after Employee's separation from service, (B) Employee's death, or (C) such earlier date as permitted under Section 409A without imposition of adverse taxation. The Company makes no representation or warranty and will have no liability to the Employee or any other person if any provisions of the Agreement are determined to constitute deferred compensation subject to Section 409A but do not satisfy an exemption from, or the conditions of, Section 409A.

(vii) Modified Economic Cutback Following a Sale Event. If any payment or benefit that the Employee would receive from the Company or otherwise in connection with a Change in Control or other similar transaction (a "280G Payment") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then any such 280G Payment (a "Payment") will be equal to the Reduced Amount. The "Reduced Amount" will be either (x) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount (i.e., the amount determined by clause (x) or by clause (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Employee's receipt, on an after-tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount is determined pursuant to clause (x) of the preceding sentence, the reduction will occur in the manner (the "Reduction Method") that results in the greatest economic benefit for the Employee. If more than one method of reduction will result in the same economic benefit, the item so reduced will be reduced pro rata (the "Pro Rata Reduction Method").

Notwithstanding the foregoing, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A of the Code that would not otherwise be subject to taxes pursuant to Section 409A of the Code, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, will be modified so as to avoid the imposition of taxes pursuant to Section 409A of the Code as follows: (A) as a first priority, the modification will preserve to the greatest extent possible, the greatest economic benefit for the Employee as determined on an after-tax basis; (B) as a second priority, Payments that are contingent on future events (e.g., being terminated without Cause), will be reduced (or eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A of the Code will be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A of the Code.

Unless the Employee and the Company agree on an alternative accounting firm, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the change of control transaction triggering the Payment will perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the change of control transaction, the Company will appoint a nationally recognized accounting firm to make the determinations required hereunder. The Company will bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The Company will use commercially reasonable efforts to cause the accounting firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to the Employee and the Company within 15 calendar days after the date on which the Employee's right to a 280G Payment becomes reasonably likely to occur (if requested at that time by the Employee or the Company) or such other time as requested by the Employee or the Company.

If the Employee receives a Payment for which the Reduced Amount was determined pursuant to clause (x) of the first paragraph of this Section and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, the Employee will promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) of the first paragraph of this Section so that no portion of the remaining Payment is subject to the Excise Tax). For the avoidance of doubt, if the Reduced Amount was determined pursuant to clause (y) in the first paragraph of this Section, the Employee will have no obligation to return any portion of the Payment pursuant to the preceding sentence.

(viii) Forfeiture of Severance Benefits upon Change in Control. If, in connection with a Change in Control:

(A) Employee is offered, before the Change of Control Date, Comparable Employment, as defined below, by the party purchasing or acquiring control of the Company or its assets, or any affiliate thereof (the "Acquiror"), on terms that contain severance benefits that, taken as a whole, are equal to or greater in value, as reasonably determined by the Company in its sole discretion, than the Severance Benefits set forth in Section 7(g)(i) above, then—regardless of whether or not Employee agrees to and accepts, or rejects, such employment offer with Acquiror—the provisions of Section 7(g)(i) shall not apply, and Employee hereby waives any right to the Severance Benefits and acknowledges that Employee shall not be entitled to, and neither the Company nor Acquiror (nor any of their respective affiliates) will pay to Employee, the Severance Benefits even if Employee's Employment is subsequently terminated by the Company or Acquiror (as the case may be) not for Cause or Employee subsequently resigns from any such employment for Good Reason;

(B) Employee is offered, before the Change of Control Date, Comparable Employment by the Acquiror on terms that contain severance benefits that, taken as a whole, are of less value, as reasonably determined by the Company in its sole discretion, than the Severance Benefits set forth in Section 7(g)(i) above, and the Employee agrees to and accepts such employment offer with the Acquiror, then the provisions of Section 7(g)(i) shall not apply, and Employee hereby waives any right to the Severance Benefits and acknowledges that Employee shall not be entitled to, and neither the Company nor Acquiror (nor any of their respective affiliates) will pay to Employee, the Severance Benefits even if Employee's Employment is subsequently terminated by the Company or Acquiror (as the case may be) not for Cause or Employee subsequently resigns from any such employment for Good Reason; or

(C) Employee is not offered, before the Change of Control Date, Comparable Employment by the Acquiror, and Employee's Employment is subsequently terminated by the Company not for Cause, or the Employee subsequently resigns for Good Reason, then, in either case, Employee will be entitled to the Severance Benefits as set forth in Section 7(g)(i) above.

For purposes of this Agreement, "Comparable Employment" is defined as employment that, taken as a whole and as reasonably determined by the Company in its sole discretion, is substantially similar to Employee's Employment hereunder, including the employment's title, duties, obligations, base salary, target bonus, and work location.

(h) Retention Payment. Provided that Employee remains continuously employed by the Company through the earlier of (i) forty-five (45) days after the Change in Control Date, or (ii) September 30, 2024 (the "Retention Period"), the Company shall provide Employee, in a single lump-sum payment, an amount equal to one hundred twenty-five thousand dollars ($125,000) (the "Retention Payment"), less applicable deductions and withholdings, on the first normal payroll date that occurs on or after the final day of the Retention Period. For purposes of this Agreement, the date upon which the Change in Control closes shall be referred to as the "Change in Control Date." When and whether the Company has "closed" a Change in Control shall be determined by the release of shares or the cash wires funding the payments for the Change in Control. The Retention Payment will not be earned by Employee until the final day of the Retention Period, subject to Employee remaining employed and complying with Employee's obligations under this Agreement and the Undertaking during the Retention Period. In the event that the Company terminates Employee's Employment without Cause or Employee resigns from Employment with the Company for Good Reason within twelve (12) months after the final day of the Retention Period, the Retention Payment shall be deducted from the amount of any Severance Benefits to be paid to the Employee under Section 7(g)(i).

8. Employee Representations.

(a) The Employee hereby represents and warrants that the Employee's performance of the terms of this Agreement will not breach any written or oral agreement entered into by the Employee with a former employer or with any other third party. The Employee further represents and warrants that the Employee will not engage in additional employment or recreational activities that would in any way pose a conflict of interest with the Employment.

(b) The Employee hereby confirms that the Employee is not owed any amounts or entitled to any benefits from the Company and/or its affiliates for any period of employment, consulting or services provided by the Employee prior to the Effective Date, whether to the Company or to any of its affiliated entities, and that the Employee has been paid in full any amounts which may be due to the Employee on the part of the Company and/or its affiliates on account of any such period of employment, consulting or services provided.

(c) The Employee hereby acknowledges that the Employee's signing of the Confidentiality, and Ownership of Inventions, Unfair Competition and Non-Solicitation Undertaking (the "Undertaking") constituted a precondition of the Employment and Employee reaffirms and agrees to observe and abide by the terms of the Undertaking, specifically including the provisions therein regarding nondisclosure of the Company's trade secrets and confidential and proprietary information, noncompetition, and nonsolicitation of Company employees; *provided, however*, that as of the Effective Date of this Agreement, the Tail Period (as defined in Section 2.1 of the Undertaking) shall be amended to mean a period of six (6) months— provided that the Severance Benefits shall have been duly paid to the Employee—irrespective of (i) whether the Company or the Employee terminates Employee's Employment, and (ii) the reason the Employee's Employment terminates. The Employee further affirms that this Agreement, the Plans, and the Undertaking, as amended by this Section 8(c), constitute the entire understanding of the Parties with respect to the subject matter hereof and supersede any and all understandings, agreements, promises, negotiations, proposals, discussions, and arrangements, and all other agreements existing between the Parties and relating to the subject matter hereof are expressly canceled (including, without limitation, the Original Agreement and the Bonus Agreement).

(d) The Employee understands that the Employment and obligations of the Company pursuant to this Agreement are conditioned upon the Employee's maintaining, in each case as required by applicable law, authorization to work in the United States. It is understood that absent such work authorization, the terms of this Agreement shall be null and void, and the Company shall have no obligations hereunder. In the event that the Employee is actively employed by the Company at the time of a lapse in the Employee's work authorization for any reason, the Employment shall immediately terminate and the Company shall have no obligations with respect to the Employee or pursuant to this Agreement.

(e) The Employee acknowledges that the Employee has been advised, or was previously advised, to obtain independent counsel to evaluate the terms, conditions and covenants set forth in this Agreement and the Undertaking, and the Employee has been, or was, afforded ample opportunity to obtain such independent advice and evaluation. The Employee warrants to the Company that the Employee has relied upon such independent counsel and not upon any representation (legal or otherwise), statement or advice said or offered by the Company or the Company's counsel in connection with this Agreement.

9. No Retention Rights. Nothing in the Agreement or otherwise shall confer upon Employee the right to continue in the employ of, or be in the service of the Company or any Subsidiary or other affiliate thereof as a service provider or to be entitled to any remuneration or benefits not set forth in the Agreement, or to interfere with or limit in any way the right of the Company or any such Subsidiary or other affiliate thereof to terminate Employee's Employment or service (including, any right of the Company or any of its affiliates to immediately cease the Employee's Employment or service or to shorten all or part of the Notice Period, regardless of whether notice of termination was given by the Company or its affiliate or by the Employee). Employee shall not be entitled to claim and Employee hereby waives any claim against the Company or any Subsidiary or other affiliate thereof, that Employee was prevented from continuing to accrue any rights pursuant to the Agreement as of and through the Date of Termination of employment with, or services to, the Company or any Subsidiary or other affiliate thereof. Employee shall be entitled to any compensation which would have accrued had Employee's Employment or engagement with the Company (or any Subsidiary or other affiliate thereof) not been terminated.

10. Notices. All notices and other communications under this Agreement shall be in writing and shall be given by email or first-class mail, certified or registered, and shall be deemed to have been duly given three (3) days after mailing, twenty-four (24) hours after transmission of email, or immediately upon acknowledgement of receipt, as follows:

If to the Company: **GAMIDA CELL INC.**
Attention: Chief Executive Officer
116 Huntington Ave.
Boston, MA 02116

If to the Employee: **MICHELE KORFIN**
+1-908-421-1591
202 Meadow View Lane Glen
Gardner, NJ 08826
michelekorfin@gmail.com

or as otherwise indicated as per the Company's personnel records for the Employee.

11. Remedies of the Company. Upon any termination of the Employment for Cause, the reasons for which may cause irreparable harm to the Company, the Company shall be entitled to institute and prosecute proceedings to obtain injunctive relief and damages, costs and expenses, including, without limitation, reasonable attorneys' fees and expenses.

12. Attorneys' Fees. In any proceeding to enforce the terms and conditions of this Agreement or the Undertaking, the prevailing party (as determined by the applicable court or arbitrator) shall be entitled to reimbursement for its reasonable attorneys' fees and expenses.

13. Arbitration. Except as set forth above in Section 11 above and as set forth in the Undertaking, the Employee and the Company agree that any claim, controversy or dispute between the Employee and the Company (including, without limitation, its affiliates, officers, Employees, representative or agents) arising out of or relating to this Agreement, the Employment of the Employee, the cessation of Employment of the Employee, or any matter relating to the foregoing shall be submitted to and settled by arbitration pursuant to the Federal Arbitration Act in a forum of the American Arbitration Association ("AAA") located in the State of New Jersey and applying the substantive law of the State of Delaware, unless otherwise mutually agreed upon by the Parties, and conducted in accordance with the National Rules for the Resolution of Employment Disputes. In such arbitration, the Parties shall agree upon a single arbitrator, who shall: (i) agree to treat as confidential evidence and other information presented by the Parties to the same extent as Confidential Information under the Undertaking must be held confidential by the Employee, (ii) have no authority to amend or modify any of the terms of this Agreement, and (iii) have ten (10) business days from the closing statements or submission of post-hearing briefs by the Parties to render his or her decision. Any arbitration award shall be final and binding upon the Parties, and any court, state or federal, having jurisdiction may enter a judgment on the award.

14. Enforceability of this Agreement.

(a) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereunder. If a court of competent jurisdiction determines that any portion of this Agreement is in violation of any statute or public policy only the portions of this Agreement that violate such statute or public policy shall be stricken, and all other portions of this Agreement that do not violate any statute or public policy shall continue in full force and effect. Further, if any one or more of the provisions contained in this Agreement is determined by a court of competent jurisdiction in any State to be excessively broad as to duration, scope, activity or subject, or is unreasonable or unenforceable under the laws of such State, such provisions will be construed by limiting, reducing, modifying or amending them so as to be enforceable to the maximum extent permitted by the law of that State. If the Agreement is held unenforceable in any jurisdiction, such holding will not impair the enforceability of the Agreement in any other jurisdiction.

(b) This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

(c) No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by the Employee and the Company. No waiver by either Party hereto at any time or any breach by the other Party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

(d) The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Delaware without regard to its conflicts of law principles, unless otherwise mutually agreed upon by the Parties.

(e) The Company shall have the right to assign its rights and obligations under this Agreement to any individual, entity, corporation or partnership that succeeds to all or a portion of the relevant business or assets of the Company. This Agreement is personal to the Employee, and the Employee may not assign the Employee's rights and obligations under this Agreement to any third party.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties have executed this Amended & Restated Employment Agreement as of the date first written above.

GAMIDA CELL INC.

By: */s/ Abigail Jenkins*
Abigail Jenkins
President & Chief Executive Officer

MICHELE KORFIN

/s/ Michele Korfin

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (this "Agreement"), dated as of July 20, 2020 (the "Effective Date") is by and between **GAMIDA CELL, INC.**, a Delaware Corporation (the "Company"), and **MICHELE KORFIN** (the "Employee") (individually, each a "Party" and collectively, the "Parties").

WHEREAS, in recognition of the Employee's experience and abilities, the Company desires to assure itself of the employment of the Employee in accordance with the terms and conditions provided herein; and

WHEREAS, the Employee seeks to be employed by the Company and to perform services for the Company and its affiliated entities in accordance with the terms and conditions provided herein.

NOW, THEREFORE, in consideration of the promises and the respective covenants and agreements of the Parties herein contained, and intending to be legally bound hereby, the Parties hereto agree as follows:

1. Employment. The Company hereby agrees to employ the Employee, and the Employee hereby agrees to be employed by the Company and to perform services for the Company, its subsidiaries and affiliates, on the terms and conditions set forth herein (the "Employment").

2. Term. Unless otherwise mutually agreed by the Parties in writing, the Employment shall commence on August 15, 2020 (the "Start Date"), and shall continue until terminated by either the Employee or the Company, pursuant to Section 7 hereof (the period of Employment pursuant to this Agreement, the "Term"). Notwithstanding the foregoing, if Tyme Technologies, Inc., Employee's current employer ("Tyme"), requires Employee to continue to provide full-time services to Tyme after August 15, 2020 because the current annual "Employment Period" under Employee's agreement with Tyme does not expire until October 9, 2020, Employee shall have the right to delay the Start Date until the date that is one (1) business day after Employee's last day as an employee at Tyme, but in no event shall the Start Date be later than October 10, 2020.

3. Positions. During the Term, the Employee shall serve as the Company's **Chief Commercial Officer** and **Chief Operating Officer** (the "Positions").

4. Duties and Reporting Relationship. During the Term, the Employee shall devote one hundred percent of the Employee's regular business time and, on a full-time basis, use the Employee's skills and render services to the best of the Employee's abilities on behalf of the Company. The Employee shall report directly to the Chief Executive Officer of the Company (the "Supervisor"). The Employee agrees that to the best of the Employee's ability, the Employee will make all efforts to loyally and conscientiously perform the duties and obligations required of and from the Employee pursuant to the terms of this Agreement. The Employee shall be responsible for all duties reasonably associated with the Positions, as determined by the Supervisor, as may be updated from time to time. The Employee shall comply with all of the lawful policies and procedures of the Company.

5. Place of Performance. The Parties agree that the Employee shall work from the Employee's home office in New Jersey and travel to the Company's Boston, Massachusetts office on an as-needed basis, as determined reasonably appropriate by the Company. The Employee acknowledges and agrees that, in connection with the Employment for the Company, on an as-needed basis, the Employee will be required to travel throughout North America as well as outside of the North America geographical area, including but not limited to the State of Israel.

6. Compensation and Related Matters.

(a) Annual Base Salary. During the Term, the Company shall pay to the Employee an annual base salary (the "Base Salary") at a rate of Four Hundred and Twenty-Five Thousand United States Dollars ($425,000), to be paid on a prorated basis in conformity with the Company's payroll policies relating to its employees, in each case less applicable withholdings and deductions, not less frequently than twice each month. The Positions qualify as exempt from overtime payments for hours worked in excess of forty (40) per week, and the Employee will therefore not be entitled to any such overtime compensation. Employee's Base Salary shall be reviewed annually as part of the Company's normal salary review process by the Company and may be increased by the Company in its sole discretion. For the avoidance of doubt, any such increased annual base salary shall be considered Employee's "Base Salary" for all purposes of this Agreement.

(b) Annual Target Bonus. In addition to the compensation set forth above in Section 6(a), following each calendar year, the Employee shall be eligible for an annual target bonus of up to Forty Percent (40%) of the Base Salary as in effect at the start of that calendar year, upon the attainment of goals and targets established in writing by the Company's Board of Directors (the "Board"), with such annual target bonus (if earned and declared) to be paid to the Employee in the payroll cycle for March of the year that immediately follows such calendar year, less applicable withholdings and deductions (the "Annual Target Bonus").

(c) Benefits. During the Term hereof, the Employee shall be entitled to the following benefits:

(i) Health Insurance. The Company shall make available to the Employee health insurance coverage for the Employee, in accordance with the policies obtained by the Company on behalf of similarly situated employees. Such health insurance shall include medical, dental and vision coverage.

(ii) 401(k). The Employee shall be eligible to participate in the Company's 401(k) Plan, in accordance with the terms of such Plan.

(iii) Disability Coverage; D & O Insurance. The Employee shall be eligible for both short-term and long-term disability coverage in accordance with the plans secured by the Company and made available to similarly situated employees. In addition, the Employee will be insured under the Company's D & O liability coverage, pursuant to the terms of such coverage.

(iv) Stock Options. The Company shall recommend to the Board of Directors of Gamida Cell Ltd., the Company's parent entity (the "Board" and the "Parent", respectively), that the Employee be granted - within ten (10) business days after the Start Date - options to purchase 500,000 ordinary shares of the Parent (the "Options"), pursuant to the terms of the Parent's Stock Incentive Plan and applicable grant agreements, as approved and adopted by the Board (all applicable agreements, collectively, the "Plans"), which Options, except as provided in Section 7(g)(v) below, shall vest as follows: 25%of the Options on the first anniversary of the Start Date and additional 6.25% of the Options at the end of each subsequent three-month period thereafter over the course of the following three (3) years, provided that the Employee remains employed by the Company or its subsidiary on such vesting dates. All matters related to such Options, including but not limited to the exercise price and the required execution of any governing agreement and/or other documentation, shall be subject to the sole discretion of the Board. It is understood that nothing herein is intended to constitute a grant of, or right to, any share capital of the Company, and it is hereby confirmed that the Employee shall be solely responsible for any tax liability incurred in connection with the Options, including but not limited to with respect to the grant, exercise, and/or sale of such Options.

(v) Paid Time Off.

(1) Vacation. The Employee shall be entitled to take twenty (20) days of vacation per calendar year, with such days to be prorated for partial years of employment. It is agreed that the Employee shall coordinate the timing of taking such vacation days with the Supervisor. The Employee shall be entitled to carry over accrued but unused vacation days from one calendar year into the following calendar year, but at no time shall the Employee accrue more than twenty (20) days of vacation.

(2) Holidays. In addition to vacation days, the Employee shall be entitled to take off the following paid holidays each calendar year: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve, Christmas Day and New Year's Eve. The Company does not pay out worked holidays.

(3) Sick Time. The Employee will be eligible to take paid sick time off from work, in accordance with applicable law, up to a maximum of forty (40) hours per calendar year. Accrued but unused sick time shall be carried over from one calendar year to the following calendar year, with a maximum of forty (40) hours to be used for purposes of sick time in any given calendar year.

(4) Separation from the Company. Upon the Employee's termination of employment by the Company or the Employee's resignation, the Employee will be entitled to the payout of any accrued but unused vacation days, but will not be eligible for payout on account of unused sick time or worked holidays.

(vi) Company Property. The Company shall provide the Employee with Company property, including but not limited to a laptop, which shall remain at all times the property of the Company, to be used by the Employee in accordance with Company guidelines. Upon the Employee's termination of employment for any reason, the Employee will be obligated to immediately return the laptop to the Company.

(vii) Business Expenses. The Employee will be eligible for reimbursement of preapproved reasonable business expenses, including cell phone expenses as per a mutually agreed upon cell phone plan, as well as other expenses incurred in accordance with the Company's business expense reimbursement policies, as may be updated from time to time by the Company.

(d) Section 409A of the Internal Revenue Code of 1986, as amended. The Parties hereby affirm that with respect to any and all payments and benefits under this Agreement, the intent is that such payments and benefits either: (i) do not constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Internal Revenue Code ("Section 409A"), and therefore are exempt from Section 409A, (ii) are subject to a "substantial risk of forfeiture" and are exempt from Section 409A under the "short−term deferral rule" set forth in Treasury Regulation §1.409A−1(b)(4), or (iii) are in compliance with Section 409A. In any event, the Parties further confirm that they intend to have all provisions of this Agreement construed, interpreted and administered in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(e) The Employee shall be responsible for the payment of applicable taxes and other compulsory payments imposed by law on the Employee, in respect of, or resulting from, the compensation and the benefits paid or granted to, or received by the Employee, or contributed by the Company, or to which the Employee is or may be entitled, pursuant to this Agreement or the Employee's employment with the Company. The Company shall withhold or deduct from any payment or compensation to which the Employee is entitled, applicable amounts as required by law.

7. Termination. The Employee's Employment hereunder may be terminated without breach of this Agreement as set forth below:

(a) Death; Disability. The Employee's Employment hereunder shall terminate upon the Employee's death or "Disability" (as hereafter defined). Upon any such termination, the Employee (or, in the event of the Employee's death, the Employee's estate) shall receive the Base Salary through the "Date of Termination" (as hereafter defined), as well as (i) reimbursement for unpaid business expenses through such date and (ii) any fully earned and declared but unpaid Annual Target Bonus as of the Date of Termination. The Employee (and, in the event of the Employee's death, the Employee's estate) shall not be entitled to any other amounts or benefits from the Company or otherwise. For purposes of this Agreement, "Disability" shall mean the inability of the Employee to perform the Employee's duties on account of a physical or mental illness for a period of sixty (60) consecutive days, or for ninety (90) days in any six (6) month period. Notwithstanding anything contained herein to the contrary, during any period of Disability, the Company shall not be obligated to pay any compensation or other amounts to the Employee, except as mandated by applicable law.

(b) Cause. The Company may terminate the Employee's Employment hereunder for Cause at any time upon written notice to Employee.

(i) For purposes of this Agreement, the Company shall have "Cause" to terminate the Employee's Employment hereunder upon the Employee's:

(1) commission of fraud, embezzlement, gross negligence, an act or acts constituting a felony under the laws of the United States or any state thereof, or a willful or grossly negligent act or omission which results in an assessment of a civil or criminal penalty against the Employee, or the Company or its affiliates;

(2) willful or continued failure to substantially perform the Employee's duties as directed by the Company; or

(3) violation of the terms of this Agreement or of the Undertaking (as defined below) attached hereto as Schedule A in any material respect.

(ii) A purported termination of Employee's employment for Cause shall not be effective unless (A) the Company provides written notice to Employee of the facts alleged by the Company to constitute Cause and such notice is delivered to Employee no more than 90 days after the Company has actual knowledge of such facts and (B) Employee has been given an opportunity of no less than 10 days after receipt of such notice to cure the circumstances alleged to give rise to Cause, and the Company has cooperated in good faith with Employee's efforts to cure such condition or circumstance, but only to the extent that such circumstances are reasonably curable.

(iii) In the event that the Company terminates the Employee's Employment for Cause, the Employee shall receive the Base Salary through the Date of Termination, as well as reimbursement for approved but unpaid business expenses through such date. The Employee shall not be entitled to any other amounts or benefits from the Company.

(c) Termination without Cause/Resignation. The Employee's Employment hereunder may be terminated (i) following the three (3) month anniversary of the Start Date, by the Company at any time, or, (ii) following the three (3) month anniversary of the Start Date, by the Employee upon the Employee's resignation. In the event of the termination of the Employee's Employment by the Company for any reason (other than a termination for Cause), or the Employee's resignation for any reason, it is agreed that one Party shall give the other Party one (1) month's notice of such termination in accordance with Section 7(d) hereunder. In the event of the Company's termination of Employee's Employment for any reason (other than a termination for Cause) or Employee's resignation for any reason: (i) the Employee shall receive the Base Salary through the Date of Termination, reimbursement for approved but unpaid business expenses through the Date of Termination, any fully earned and declared but unpaid Annual Target Bonus as of the Date of Termination, and, if applicable, the separation benefits described in Section 7(g), and (ii) the Company shall have the right to determine whether or not the Employee will actively work during the notice period.

(d) Notice of Termination. Any termination of the Employee's Employment by the Company or by the Employee (other than termination upon the death of the Employee) shall be communicated by written Notice of Termination by such Party to the other in accordance with Section 9 of this Agreement. Such Notice of Termination shall specify the last day of the Employee's Employment with the Company.

(e) Date of Termination. "Date of Termination" shall mean: (i) if the Employee's Employment is terminated by the Employee's death, the date of the Employee's death, or (ii) if the Employee's Employment is terminated pursuant to any of the other terms set forth herein, the date specified in the Notice of Termination.

(f) Transition. Regardless of the circumstances surrounding the Employee's termination of Employment, the Employee hereby agrees that upon the Employee's termination of Employment, the Employee will return to the Company all Company property and will make reasonable efforts to facilitate the orderly transition of the Employee's duties and responsibilities. Any such transition assistance following Employee's last day of employment with the Company, shall be at no out-of-pocket cost or expense to the Employee and shall be subject to Employee's commitments to any new employer.

(g) Separation Benefits.

(i) Severance and Non-Compete Payments and COBRA Coverage after Termination by the Company not for Cause. In the event of the Company's termination of Employee's Employment not for Cause, (a) the Employee shall be entitled to a lump sum severance payment equal to six (6) months' Base Salary, less applicable deductions and withholdings, (b) the Employee shall be entitled to payment during the first six (6) months of the noncompetition period as set forth in Section 2.1 of the Confidentiality and Ownership of Inventions, Unfair Competition, and Non-Solicitation Undertaking attached hereto, at the same rate as the Base Salary, less applicable deductions and withholdings, and (c) the Company shall reimburse Employee for the payments Employee makes for COBRA coverage for a period of six (6) months following the date upon which the Release (defined below) becomes effective, provided Employee timely elects and pays for COBRA coverage. COBRA reimbursements shall be made by the Company to Employee consistent with the Company's normal expense reimbursement policy, provided that Employee submits documentation to the Company substantiating Employee's payments for COBRA coverage.

(ii) Severance and Non-Compete Payments and COBRA Coverage after Employee's Resignation from Employment for Good Reason. In the event of the Employee's resignation from Employment for Good Reason, (a) the Employee shall be entitled to a lump sum severance payment equal to six (6) months' Base Salary, less applicable deductions and withholdings, (b) the Employee shall be entitled to payment during the first six (6) months of the noncompetition period as set forth in Section 2.1 of the Confidentiality and Ownership of Inventions, Unfair Competition, and Non-Solicitation Undertaking attached hereto, at the same rate as the Base Salary, less applicable deductions and withholdings, and (c) the Company shall reimburse Employee for the payments Employee makes for COBRA coverage for a period of six (6) months following the date upon which the Release becomes effective, provided Employee timely elects and pays for COBRA coverage. COBRA reimbursements shall be made by the Company to Employee consistent with the Company's normal expense reimbursement policy, provided that Employee submits documentation to the Company substantiating Employee's payments for COBRA coverage.

(iii) For purposes of this Agreement, "Good Reason" means (i) a material reduction in the Employee's title, duties or obligations at the Company (unless such material reduction takes place within twelve (12) months following a Change in Control, in which case such material reduction shall not qualify as Good Reason), (ii) relocation of Employee's primary place of work to a location more than 25 miles from Employee's home, or (iii) a violation of the terms of this Agreement by the Company in any material respect, or (iv) solely for purpose of Section 7(g)(v) below – the expiration of a 12-month period following a Change in Control (as defined below) if Employee has continuously been employed with the Company until such time. A purported resignation by Employee for Good Reason shall not be effective unless (A) Employee provides written notice to the Company of the circumstances alleged by Employee to constitute Good Reason and such notice is delivered to the Company no more than 30 days after the occurrence of such circumstances and (B) Employee has cooperated in good faith with Company's efforts to cure such circumstance, and the Company fails to cure such circumstances within thirty (30) days of receiving such written notice from the Employee.

(iv) For purposes of this Agreement, a "Change in Control" shall mean a sale of all or substantially all of the shares or assets of the Parent, or a merger, consolidation or similar event pursuant to a transaction or series of related transactions in which a third party acquires more than fifty percent (50%) of the voting power of the Parent immediately prior to such event, and the stockholders of the Parent immediately prior to such event do not retain a majority of the voting power in the surviving corporation or in the parent company of the surviving entity (other than the reincorporation of the Company Parent and other than a direct equity investment in the Parent).

(v) Acceleration of Options. In the event of a Change in Control, (i) 50% of the then unvested Options and 50% of any other then unvested equity awards of the Company held by Employee shall fully vest as of immediately prior to such Change in Control, provided that the Employee signs (and does not revoke, as applicable) the Release (as defined and otherwise set forth below). In addition, if the Employee's Employment is terminated by the Company without Cause or the Employee resigns from Employment for Good Reason, in either case, within twelve (12) months following a Change in Control, or if Employee is continuously employed with the Company until expiration of a twelve (12)-month period following a Change in Control, then any Options and other equity awards of the Company that have been granted to the Employee as of the Date of Termination shall fully vest and become exercisable on such date in accordance with the terms of the applicable Plans, provided that the Employee signs (and does not revoke, as applicable) the Release. The provisions of this Section 7(g)(v) shall apply only if and to the extent permitted by the Compensation Policy of the Parent as in effect from time to time. The Company agrees that the Parent will seek shareholder approval at the 2020 annual shareholders' meeting of Parent for an amendment of the Compensation Policy to permit the foregoing, yet such approval is not assured.

(vi) Conditions Precedent. Any severance payments, benefits, or acceleration contemplated by this Section 7(g) are conditional on Employee: (i) continuing to comply with the terms of this Agreement and the Undertaking; and (ii) signing and not revoking a separation agreement and release of known and unknown claims in the form provided by the Company (including nondisparagement and no cooperation provisions) (the "Release") and provided that such Release becomes effective and irrevocable no later than sixty (60) days following the termination date or such earlier date required by the release (such deadline, the "Release Deadline"). If the Release does not become effective by the Release Deadline, Employee will forfeit any rights to severance payments, benefits, or acceleration under this Section 7(g) or elsewhere in this Agreement. Any severance payments under this Agreement that would not be considered deferred compensation subject to Section 409A will be paid on, or, in the case of installments, will not commence until, the first payroll date that occurs on or after the date the Release becomes effective.

(vii) Deferred Compensation. Notwithstanding anything in this Agreement to the contrary, no amount deemed deferred compensation subject to Section 409A that is designated to be paid upon the Employee's termination of employment shall be payable pursuant to this Agreement unless the Employee's termination of employment constitutes a "separation from service" with the Company within the meaning of Section 409A (a "Separation from Service"). Notwithstanding anything in this Agreement to the contrary, if the Employee is deemed by the Company at the time of the Employee's Separation from Service to be a "specified employee" for purposes of Section 409A, to the extent delayed commencement of any portion of the benefits to which the Employee is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A, such portion of the Employee's benefits shall not be provided to the Employee prior to the earlier of (A) the expiration of the six-month period measured from the date of the Employee's Separation from Service with the Company or (B) the date of the Employee's death. Upon the first business day following the expiration of the applicable Section 409A period, all payments deferred pursuant to the preceding sentence will be paid in a lump-sum to the Employee (or the Employee's estate or beneficiaries), and any remaining payments due to the Employee under this Agreement shall be paid as otherwise provided herein. For purposes of Section 409A, the Employee's right to receive any installment payments under this Agreement will be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment.

8. Employee Representations.

(a) The Employee hereby represents and warrants that the Employee's performance of the terms of this Agreement will not breach any written or oral agreement entered into by the Employee with a former employer or with any other third party. The Employee further represents and warrants that the Employee will not engage in additional employment or recreational activities that would in any way pose a conflict of interest with the Employment.

(b) The Employee hereby confirms that the Employee is not owed any amounts or entitled to any benefits from the Company and/or its affiliates for any period of employment, consulting or services provided by the Employee prior to the Effective Date, whether to the Company or to any of its affiliated entities, and that the Employee has been paid in full any amounts which may be due to the Employee on the part of the Company and/or its affiliates on account of any such period of employment, consulting or services provided.

(c) The Employee hereby acknowledges that the Employee's signing of the Confidentiality, and Ownership of Inventions, Unfair Competition and Non-Solicitation Undertaking attached hereto as Schedule A (the "Undertaking") constitutes a precondition of the Employment. The Employee further affirms that this Agreement and the Undertaking constitute the entire understanding of the Parties with respect to the subject matter hereof and supersede any understanding or agreement, whether oral or written between the Company and the Employee.

(d) The Employee understands that the Employment and obligations of the Company pursuant to this Agreement are conditioned upon the Employee's presenting to the Company and maintaining, in each case as required by applicable law, authorization to work in the United States. It is understood that absent such work authorization, the terms of this Agreement shall be null and void, and the Company shall have no obligations hereunder. In the event that the Employee is actively employed by the Company at the time of a lapse in the Employee's work authorization for any reason, the Employment shall immediately terminate and the Company shall have no obligations with respect to the Employee or pursuant to this Agreement.

(e) The Employee acknowledges that the Employee has been advised to obtain independent counsel to evaluate the terms, conditions and covenants set forth in this Agreement and its attached Schedule A, and the Employee has been afforded ample opportunity to obtain such independent advice and evaluation. The Employee warrants to the Company that the Employee has relied upon such independent counsel and not upon any representation (legal or otherwise), statement or advice said or offered by the Company or the Company's counsel in connection with this Agreement.

9. Notices. All notices and other communications under this Agreement shall be in writing and shall be given by email or first-class mail, certified or registered, and shall be deemed to have been duly given three (3) days after mailing, twenty-four (24) hours after transmission of email, or immediately upon acknowledgement of receipt, as follows:

If to the Company: **GAMIDA CELL, INC.**
Attention: Julian Adams, CEO
673 Boylson St., Boston MA
Julian@Gamida-cell.com

If to the Employee: **MICHELE KORFIN**
[***]

or as otherwise indicated as per the Company's personnel records for the Employee.

10. Remedies of the Company. Upon any termination of the Employment for Cause, the reasons for which may cause irreparable harm to the Company, the Company shall be entitled to institute and prosecute proceedings to obtain injunctive relief and damages, costs and expenses, including, without limitation, reasonable attorneys' fees and expenses.

11. Attorneys Fees. In any proceeding to enforce the terms and conditions of this Agreement or the Undertaking, the prevailing party (as determined by the applicable court or arbitrator) shall be entitled to reimbursement for its reasonable attorneys' fees and expenses.

12. Arbitration. Except as set forth above in Section 10 above and as set forth in the Undertaking, the Employee and the Company agree that any claim, controversy or dispute between the Employee and the Company (including, without limitation, its affiliates, officers, Employees, representative or agents) arising out of or relating to this Agreement, the Employment of the Employee, the cessation of Employment of the Employee, or any matter relating to the foregoing shall be submitted to and settled by arbitration pursuant to the Federal Arbitration Act in a forum of the American Arbitration Association ("AAA") located in the State of New York and applying the substantive law of the State of Delaware, unless otherwise mutually agreed upon by the Parties, and conducted in accordance with the National Rules for the Resolution of Employment Disputes. In such arbitration, the Parties shall agree upon a single arbitrator, who shall: (i) agree to treat as confidential evidence and other information presented by the Parties to the same extent as Confidential Information under the Undertaking must be held confidential by the Employee, (ii) have no authority to amend or modify any of the terms of this Agreement, and (iii) have ten (10) business days from the closing statements or submission of post-hearing briefs by the Parties to render his or her decision. Any arbitration award shall be final and binding upon the Parties, and any court, state or federal, having jurisdiction may enter a judgment on the award.

13. Enforceability of this Agreement.

(a) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereunder. If a court of competent jurisdiction determines that any portion of this Agreement is in violation of any statute or public policy only the portions of this Agreement that violate such statute or public policy shall be stricken, and all other portions of this Agreement that do not violate any statute or public policy shall continue in full force and effect. Further, if any one or more of the provisions contained in this Agreement is determined by a court of competent jurisdiction in any State to be excessively broad as to duration, scope, activity or subject, or is unreasonable or unenforceable under the laws of such State, such provisions will be construed by limiting, reducing, modifying or amending them so as to be enforceable to the maximum extent permitted by the law of that State. If the Agreement is held unenforceable in any jurisdiction, such holding will not impair the enforceability of the Agreement in any other jurisdiction.

(b) This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

(c) No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by the Employee and the Company. No waiver by either Party hereto at any time or any breach by the other Party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

(d) The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Delaware without regard to its conflicts of law principles, unless otherwise mutually agreed upon by the Parties.

(e) The Company shall have the right to assign its rights and obligations under this Agreement to any individual, entity, corporation or partnership that succeeds to all or a portion of the relevant business or assets of the Company. This Agreement is personal to the Employee, and the Employee may not assign the Employee's rights and obligations under this Agreement to any third party.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Employment Agreement as set forth below.

GAMIDA CELL, INC.

Date: July 16, 2020

By: */s/* Julian Adams
Julian Adams, Chief Executive Officer

MICHELE KORFIN

/s/ Michele Korfin

Dated: July 20, 2020

SCHEDULE A:

CONFIDENTIALITY AND OWNERSHIP OF INVENTIONS, UNFAIR COMPETITION AND NON-SOLICITATION UNDERTAKING

This CONFIDENTIALITY AND OWNERSHIP OF INVENTIONS, UNFAIR COMPETITION AND NON-SOLICITATION UNDERTAKING ("Undertaking") is made and given as of July 20, 2020 by **MICHELE KORFIN** (the "Employee").

WHEREAS, the Employee wishes to be employed with and provide services that are of particular and special value to Gamida Cell, Inc. (together with its direct or indirect parent, subsidiary and affiliated companies, and its and their respective successors and assigns – the "Company"); and

WHEREAS, it is critical for the Company to preserve and protect its Confidential Information, and its rights in Inventions and in all related intellectual property rights; and

WHEREAS, this Undertaking is a condition to Employee's employment with the Company pursuant to that certain Employment Agreement dated July 20, 2020, between Employee and the Company (as may be amended from time to time, the "Employment Agreement").

NOW, THEREFORE, as a condition to Employee's engagement with the Company, Employee hereby undertakes and warrants towards the Company as follows:

1. Confidentiality.

1.1 Employee acknowledges that during the term of the Employee's engagement with the Company, and including any period during which the Employee provided services to any Company entity at any time prior to the date hereof, the Employee may have (or may have had) access to information that relates to the Company, its business, assets, financial condition, affairs, activities, plans and projections, customers, suppliers, partners, and other third parties with whom the Company agreed or may agree, from time to time, to hold information of such parties in confidence (the "Confidential Information"). Confidential Information shall include, without limitation, information, whether or not marked or designated as confidential, concerning technology, products, research and development, patents, copyrights, Inventions, trade secrets (as defined by the Defend Trade Secrets Act, 18 U.S.C. § 1839(3) and any applicable state law), test results, formulae, processes, data, know-how, marketing, promotion, business and financial plans, policies, practices, strategies, surveys, analyses and forecasts, financial information, customer lists, agreements, transactions, undertakings and data concerning employees, consultants, officers, directors, and shareholders. Confidential Information includes information in any form or media, whether documentary, written, oral, magnetic, electronically transmitted, through presentation or demonstration or computer generated. Confidential Information shall not include information that has become part of the public domain not as a result of a breach of any obligation owed to the Company by Employee or any third party.

1.2 Employee acknowledges and understands that the engagement of the Employee with the Company and the access to Confidential Information creates a relationship of confidence and trust with respect to such Confidential Information.

1.3 During the term of Employee's engagement with the Company and at any time after termination or expiration thereof, for whatever reason, subject to Section 1.4 below, Employee shall keep in strict confidence and trust, shall safeguard, and shall not disclose to any person or entity, nor use for the benefit of any party other than the Company, any Confidential Information, other than with the prior express consent of the Company, unless the Employee has an independent right or obligation to make such disclosure pursuant to applicable local, state or federal law, provided, that Employee gives the Company prompt notice of such requirement to disclose so that the Company may seek a protective order or other appropriate remedy, and provided further, that Employee shall furnish only that portion of the Confidential Information which is legally required to be disclosed, and shall exercise all reasonable efforts to obtain confidential treatment for such information.

1.4 Notice of Immunity: Employee acknowledges that via this paragraph the Company is providing the Employee with written notice that the Defend Trade Secrets Act, 18 U.S.C. § 1833(b), provides immunity for the disclosure of a trade secret for the purpose of reporting a suspected violation of law and/or in an anti-retaliation lawsuit, in that (i) an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, in each case solely for the purpose of reporting or investigating a suspected violation of law, or where such disclosure is made via a complaint or other document filed in a lawsuit or other proceeding, as long as such filing is made under seal, and (ii) an individual who files a lawsuit for retaliation by an employer or contracting party on account of the individual having reporting a suspected violation of law, may disclose the relevant trade secret to the individual's attorney and may use such trade secret information in the applicable court proceeding, as long as any document containing such trade secret is filed under seal, and as long as the individual does not disclose such trade secret, except pursuant to court order.

1.5 All right, title and interest in and to Confidential Information are and shall remain the exclusive property solely of the Company or the property of the third party providing such Confidential Information to the Company, as the case may be. Without limitation of the foregoing, Employee agrees and acknowledges that all memoranda, books, notes, records, email transmissions, charts, formulae, specifications, lists and other documents (contained on any media whatsoever) made, reproduced, compiled, received, held or used by Employee in connection with the engagement with the Company or that otherwise relates to any Confidential Information (the "Confidential Materials"), shall be the exclusive property solely of the Company and shall be deemed to be Confidential Information. All originals, copies, reproductions and summaries of the Confidential Materials shall be delivered by Employee to the Company upon termination or expiration of Employee's engagement with the Company for any reason, or at any earlier time at the request of the Company, without Employee retaining any copies thereof.

1.6 During the term of Employee's engagement with the Company, Employee shall not remove from the Company's offices or premises any Confidential Materials unless and to the extent necessary in connection with the duties and responsibilities of the Employee and permitted pursuant to the then applicable policies and regulations of the Company. In the event that any such Confidential Materials are duly removed from the Company's offices or premises, Employee shall take all actions necessary in order to secure the safekeeping and confidentiality of such Confidential Materials and return the Confidential Materials to their proper files or location as promptly as possible after such use.

1.7 During the term of Employee's engagement with the Company, Employee will not improperly use or disclose any Confidential Information, and will not bring onto the premises of the Company any unpublished documents or any property, in each case belonging to any former employer or any other party to whom Employee has an obligation of confidentiality and/or non-use (including, without limitation, any academic institution or any entity related thereto), unless generally available to the public or consented to by such third party in a writing addressed to the Company.

2. Unfair Competition and Non-Solicitation.

2.1 Employee undertakes that during the term of engagement with the Company and the Tail Period (as defined below), regardless of the reason for Employee's separation from Company, Employee shall not, directly or on behalf of any other third party: (i) engage in or establish or otherwise become involved in, either as an employee, owner, partner, agent, shareholder, director, consultant or otherwise, any business, occupation, work or any other activity involving stem cell therapies and/or NK cells, in each case relating to the treatment of cancer; (ii) solicit, hire or retain as an employee, consultant or otherwise, any employee of the Company or induce or attempt to induce any such employee to terminate or reduce the scope of such employee's employment with the Company; and (iii) solicit or induce, or attempt to solicit or induce, any employee, consultant, service provider, business partner, agent, distributor, supplier or customer of the Company, or any third party with respect to which the Company took substantial steps to engage as an employee or as any of the foregoing capacities during the period of Employee's engagement with the Company, to terminate, reduce or modify the scope of its or their engagement with the Company or work for, in any capacity, a competitor of the Company. It is understood that the restrictions set forth in Section 2.1(i) above shall apply only to those geographical areas in which the Company actively conducts, or takes meaningful steps to actively conduct its business during the period of Employee's employment at the Company. By signing this Undertaking, Employee represents and confirms that the restrictions set forth in this paragraph are not unduly burdensome, financially or otherwise, for the Employee. For purposes of this Undertaking, the "Tail Period" means (i) in the event Employee's separation from the Company arises from a termination by the Company not for Cause (as defined in the Employment Agreement) or a resignation by the Employee for Good Reason (as defined in the Employment Agreement), eighteen (18) months provided that the severance pursuant to Section 7(g) of the Employment Agreement shall have been duly paid to the Employee, and (ii) in the event Employee's separation from the Company arises from any other reason, a period equal to twelve (12) months.

2.2 Employee acknowledges that in light of Employee's positions at the Company and in view of Employee's exposure to, and involvement in, the Company's sensitive and valuable proprietary information, intellectual property and technologies, Confidential Information and Confidential Materials (the "Company's Material Assets"), the provisions of this Section **Error! Reference source not found.** are reasonable and necessary to legitimately protect the Company's Material Assets, and are being undertaken by Employee as a condition to the engagement of Employee by the Company. Employee confirms that Employee has carefully reviewed the provisions of this Section 2, fully understands the consequences thereof and has assessed the respective advantages and disadvantages to Employee of entering into this Undertaking and, specifically, Section 2 hereof. Employee understands that, Employee has the right to consult with counsel prior to signing this Undertaking. By signing this Undertaking, Employee confirms that Employee has had ample time to exercise such right.

2.3 Employee acknowledges and agrees that the enforcement of the covenants in this Section 2, and otherwise in this Undertaking, is not contingent upon the payment of any additional cash consideration, and that any payments (if any) made to Employee by the Company during the post-termination period set forth in Section 2.1 above (such as severance or non-compete payments, on certain circumstances) shall not limit or otherwise affect the enforceability of the covenants for the entire period set forth above, and that good and valid consideration exists for the covenants herein apart from any cash consideration, and that such covenants are separately justified, appropriate and based on legitimate business reasons, regardless of the circumstances surrounding Employee's separation from the Company.

3. Ownership of Inventions.

3.1 Employee will notify and disclose in writing to the Company, or any persons designated by the Company from time to time, all information, improvements, inventions, trademarks, works, designs, trade secrets, formulae, processes, techniques, know-how and data, whether or not patentable or registerable under copyright or any similar laws, made or conceived or reduced to practice or learned by Employee, either alone or jointly with others, during Employee's engagement with the Company (including after hours, on weekends or during vacation time) (all such information, improvements, inventions, trademarks, works, designs, trade secrets, formulae, processes, techniques, know-how, and data are hereinafter referred to as the "Invention(s)") immediately upon discovery, receipt or invention as applicable.

3.2 Employee agrees that all of the Inventions are, upon creation, considered Inventions of the Company, shall be the exclusive property solely of the Company and its assignees, and the Company and its assignees shall be the sole owner of all patents, copyrights, trade secrets and all other rights of any kind or nature, including moral rights, in connection with such Inventions. Employee hereby irrevocably and unconditionally assigns to the Company all the following with respect to any and all Inventions: (i) title, rights and interest in and to such Inventions, (ii) title, rights and interest in and to any patents, patent applications, and patent rights, including any and all continuations or extensions thereof; (iii) rights associated with works of authorship, including copyrights and copyright applications, Moral Rights (as defined below) and mask work rights; (iv) rights relating to the protection of trade secrets and confidential information; (v) design rights and industrial property rights; (vi) any other proprietary rights relating to intangible property including trademarks, service marks and applications therefor, trade names and packaging and all goodwill associated with the same; and (vii) all rights to sue for any infringement of any of the foregoing rights and the right to all income, royalties, damages and payments with respect to any of the foregoing rights. Employee also hereby forever waives and agrees never to assert any and all Moral Rights Employee may have in or with respect to any Inventions, even after termination of Employee's engagement with the Company. "Moral Rights" means any right to claim authorship of a work, any right to object to any distortion or other modification of a work, and any similar right, existing under the law of any country in the world, or under any treaty. The Employee further acknowledges and agrees that all copyrightable works included in the Inventions shall be "works made for hire" within the meaning of the Copyright Act of 1976, as amended (17 U.S.C. §101) (the "Act"), and that the Company shall be the "author" within the meaning of the Act.

3.3 Employee represents that there are no information, improvements, inventions, formulae, processes, techniques, know-how and data, whether or not patentable or registerable under copyright or any similar laws, and whether or not reduced to practice, original works of authorship and trade secrets made or conceived by or belonging to Employee (whether made solely by the Employee or jointly with others) that: (i) were developed by the Employee prior to Employee's engagement with the Company, (ii) relate to the Company's actual or proposed business, products or research and development, and (iii) are not assigned to the Company hereunder.

3.4 Employee further agrees to perform, during and after Employee's engagement with the Company, all acts deemed reasonably necessary or desirable by the Company to permit and assist it, at the Company's expense, in obtaining, maintaining, defending and enforcing the Inventions in any and all countries. Such acts may include, but are not limited to, execution of documents and assistance or cooperation in legal proceedings. Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents, as Employee's agents and attorneys-in-fact to act for and on Employee's behalf and instead of Employee, to execute and file any documents and to do all other lawfully permitted acts to further the above purposes with the same legal force and effect as if executed by Employee.

3.5 Employee shall not be entitled, with respect to any and all of the above, to any monetary consideration or any other consideration except as explicitly set forth in the Employment Agreement. Without limitation of the foregoing, Employee irrevocably confirms that the consideration explicitly set forth in the Employment Agreement is in lieu of any rights for compensation that may arise in connection with the Inventions under applicable law and waives any right to claim royalties or other consideration with respect to any Invention, including under Section 134 of the Israeli Patent Law, 1967 (or any successor or equivalent law in any jurisdiction). With respect to any and all of the above, any oral understanding, communication or agreement not memorialized in writing and duly signed by an authorized officer of the Company, shall be void.

4. General.

4.1 Employee represents that the performance of all the terms of this Undertaking and of all of Employee's duties and services to the Company does not and will not breach any invention assignment, proprietary information, non-compete, confidentiality or similar agreements with, or rules, regulations or policies of, any former employer or other party (including, without limitation, any academic institution or any entity related thereto). Employee acknowledges that the Company is relying upon the truthfulness and accuracy of such representations in engaging Employee.

4.2 Employee acknowledges that the provisions of this Undertaking serve as an integral part of the terms of Employee's engagement with the Company and reflect the reasonable requirements of the Company in order to protect its legitimate interests with respect to the subject matter hereof. The Employee hereby explicitly acknowledges that the restrictions set forth in this Undertaking are not greater than required and do not unduly burden the Employee.

4.3 It is agreed and understood that if a court of law finds that the Employee has violated Section 2 of this Undertaking, then the restrictions set forth in such section shall automatically be extended for any period of time for which the court finds that the Employee violated such restrictions.

4.4 Employee recognizes and acknowledges that in the event of a breach or threatened breach of this Undertaking by Employee, the Company may suffer irreparable harm or damage and that under such circumstances monetary remedies would be inadequate to protect against any actual or threatened breach of this Undertaking. Without prejudice to any other rights and/or remedies otherwise available to the Company, it is therefore agreed that the Company will be entitled to the granting of equitable relief, including but not limited to injunctive relief and specific performance, in favor of the Company without proof of actual damages to remedy or prevent any breach of this Undertaking (without limitation to any other remedy at law or in equity).

4.5 This Undertaking shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to any conflict of laws principles which may result in the application of the laws of any other jurisdiction. Any and all disputes in connection with this Undertaking shall be submitted to the exclusive jurisdiction of the competent courts or tribunals, as applicable, located in the State of New York. It is agreed that each party irrevocably consents to the exercise of personal jurisdiction over such party by such court, agrees that venue shall be proper in such court, and irrevocably waives and releases any and all defenses based on lack of personal jurisdiction, improper venue or Forum non conveniens.

4.6 If any provision of this Undertaking is determined by any court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such provision will be enforced to the maximum extent possible given the intent of the parties hereto. If such clause or provision cannot be so enforced, such provision shall be stricken from this Undertaking only with respect to such jurisdiction in which such clause or provision cannot be enforced, and the remainder of this Undertaking shall be enforced as if such invalid, illegal or unenforceable clause or provision had (to the extent not enforceable) never been contained in this Undertaking. In addition, if any particular provision contained in this Undertaking shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be construed by limiting and reducing the scope of such provision so that the provision is enforceable to the fullest extent compatible with applicable law.

4.7 The provisions of this Undertaking shall continue and remain in full force and effect following the termination or expiration of the engagement between the Company and Employee, for whatever reason. This Undertaking shall not serve in any manner so as to derogate from any of Employee's obligations and liabilities under any applicable law.

4.8 This Undertaking constitutes the entire agreement between Employee and the Company with respect to the subject matter hereof and supersedes all prior agreements, proposals, understandings and arrangements, if any, whether oral or written, with respect to the subject matter hereof. No amendment, waiver or modification of any obligation under this Undertaking will be enforceable unless set forth in a writing signed by an authorized officer of the Company. No delay or failure to require performance of any provision of this Undertaking shall constitute a waiver of that provision as to that or any other instance. No waiver granted under this Undertaking as to any one provision herein shall constitute a subsequent waiver of such provision or of any other provision herein, nor shall it constitute the waiver of any performance other than the actual performance specifically waived.

4.9 All notices and other communications under this Undertaking shall be in writing and shall be given in person, by fax, electronic or certified or registered mail, and shall be deemed to have been duly given twenty-four (24) hours after transmission of a fax or electronic email, three (3) days after sending a notice by certified or registered mail, or immediately upon delivery in person or explicit confirmation of receipt.

4.10 This Undertaking, the rights of the Company hereunder, and the obligations of Employee hereunder, will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives. The Company may assign any of its rights under this Undertaking. Employee may not assign, whether voluntarily or by operation of law, any of its obligations under this Undertaking, except with the prior written consent of an authorized officer of the Company.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has executed and delivered this CONFIDENTIALITY AND OWNERSHIP OF INVENTIONS, UNFAIR COMPETITION AND NON-SOLICITATION UNDERTAKING effective as of the date first mentioned above.

Employee:

/s/ Michele Korfin
MICHELE KORFIN

Date: July 20, 2020

AMENDED AND RESTATED AMENDMENT TO EMPLOYMENT AGREEMENT

This AMENDED AND RESTATED AMENDMENT TO EMPLOYMENT AGREEMENT (this "***Amendment***") is made and entered into as of March 12, 2024, by and between **Gamida Cell Inc.**, a Delaware corporation (the "***Company***"), and Joshua Patterson (the "***Employee***") (individually, each a "***Party***" and collectively, the "***Parties***").

WHEREAS, Employee is employed by the Company and performs services for the Company and its affiliates, on the terms and conditions set forth in that certain Employment Agreement by and between the Company and Employee, dated as of July 15, 2021, as amended by that certain Amendment to Employment Agreement dated as of July 15, 2022 (the "***Original Agreement***" and the "***Previous Amendment,***" respectively; capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Original Agreement; the Original Agreement, as amended hereby, shall be referred to herein as the "***Agreement***");

WHEREAS, the Parties entered into a Retention Bonus and Special Transaction Bonus Agreement (the "***Bonus Agreement***") on May 19, 2023, wherein Company offered to pay Employee a retention bonus and a special transaction bonus upon satisfaction of conditions specified therein;

WHEREAS, in connection with Employee's Employment with the Company, the Employee has undertaken certain undertakings in the Original Agreement related to the preservation and protection of the confidential information of the Company and its affiliates and their respective rights in all inventions and in all related intellectual property rights (the "***Undertaking***"); and

WHEREAS, the Parties wish to amend and restate the Previous Amendment, and to supersede and replace the Bonus Agreement such that, as of the Effective Date, the terms of this Amendment shall amend, restate, supersede, and replace all terms currently set forth in the Original Agreement, the Previous Amendment, and the Bonus Agreement in respect of the subject matters described herein whether or not expressly referred to herein or amended or replaced hereby, including any and all provisions of the Original Agreement that govern or pertain to the termination of Employment (however arises) and to any severance or other payments or benefits to which Employee may be eligible in connection therewith, and any and all provisions of the Bonus Agreement, all as further set forth in this Amendment.

NOW, THEREFORE, in consideration of the promises and the respective covenants and agreements of the Parties herein contained, and intending to be legally bound hereby, the Parties hereto agree as follows:

1. Termination. The Employee's Employment may be terminated without breach of the Agreement as set forth below:

(a) Death; Disability. The Employee's Employment shall terminate upon the Employee's death or Disability (as hereafter defined) to the extent permissible under applicable law. Upon any such termination, the Employee (or, in the event of the Employee's death, the Employee's estate) shall receive the Base Salary through the Date of Termination (as hereafter defined), as well as (i) reimbursement for approved but unpaid business expenses through the Date of Termination, (ii) any fully earned and declared (by the board of directors of the Company) (the "***Board***")) Annual Target Bonus as of the Date of Termination which was not paid yet, and (iii) any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination. The Employee (and, in the event of the Employee's death, the Employee's estate) shall not be entitled to any other amounts or benefits from the Company or otherwise upon any such termination, notwithstanding anything to the contrary contained in the Agreement or otherwise. For purposes of the Agreement, "***Disability***" shall mean the inability of the Employee to perform the Employee's duties on account of a physical or mental illness for a period of sixty (60) consecutive days, or for ninety (90) days in any six (6) month period. Notwithstanding anything to the contrary contained in the Agreement or otherwise, during any period of Disability, the Company shall not be obligated to pay any compensation, benefits or other amounts to the Employee, except as mandated by applicable law.

(b) Cause. The Company may terminate the Employee's Employment for Cause at any time upon written notice to Employee.

(i) For purposes of the Agreement, the Company shall have "***Cause***" to terminate the Employee's Employment hereunder pursuant to Employee's:

(1) any material breach of this Agreement or of any other written agreement between Employee and the Company, if such breach causes material harm to the Company or to any of its affiliates or reasonably threatens to cause such harm;

(2) any material failure to comply with the Company's written policies or rules, as they may be in effect from time to time during the Employment, if such failure causes material harm to the Company or to any of its affiliates and to the extent it is deemed curable by the Employee, is not cured within 10 days after written notice thereof is given to the Employee by the Company;

(3) any commission, conviction of, or a plea of "guilty" or "no contest" to, a felony under the laws of the United States or any State;

(4) any willful, intentional or grossly negligent act having the effect of materially injuring (whether financially or otherwise) the business or reputation of the Company or of any of its affiliates, which to the extent it is deemed curable by the Employee, is not cured within 10 days after written notice thereof is given to the Employee by the Company; or

(5) any willful misconduct with respect to any of Employee's material duties or obligations under the Agreement or applicable law or regulation, which, to the extent it is deemed curable is not cured within 10 days after written notice thereof is given to the Employee by the Company.

(ii) A purported termination of Employee's Employment for Cause shall not be effective unless the Company provides written notice to Employee of the facts alleged by the Company to constitute Cause and such notice is delivered to Employee no more than 90 days after the Company has actual knowledge of such facts.

(iii) In the event that the Company terminates the Employee's Employment for Cause, the Employee shall receive the Base Salary through the Date of Termination, and any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination, as well as reimbursement for approved but unpaid business expenses through the Date of Termination. The Employee shall not be entitled to any compensation, benefits or other amounts from the Company or otherwise upon such termination, notwithstanding anything to the contrary contained in the Agreement or otherwise.

(c) Termination without Cause/Resignation. The Employee's Employment may be terminated at any time by the Company or by the Employee upon the Employee's resignation. In the event of the termination of the Employee's Employment by the Company for any reason (other than a termination for Cause), or the Employee's resignation for any reason, it is agreed that the terminating Party shall give the other Party one (1) month's notice of such termination in accordance with Section 1(d) below (the "***Notice Period***"). In the event of the Company's termination of Employee's Employment for any reason (other than a termination for Cause) or Employee's resignation for any reason the Employee shall receive the Base Salary through the Date of Termination, reimbursement for approved but unpaid business expenses through the Date of Termination, fully earned and declared (by the Board) Annual Target Bonus as of the Date of Termination which was not paid yet, any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination, and, if applicable, the Severance Benefits described in Section 1(g) below, and without, however, derogating from the Company's rights under Section 3 below to terminate the Employee's Employment without Notice Period (in whole or in part, together with the payment of Base Salary in lieu of the part so waived), and to determine whether or not the Employee will attend work during the Notice Period or any part thereof.

(d) Notice of Termination. Any termination of the Employee's Employment by the Company or by the Employee (other than termination upon the death of the Employee) shall be communicated by written Notice of Termination by such Party to the other Party in accordance with the notice provisions of the Agreement. Such Notice of Termination shall specify the last day of the Employee's Employment with the Company.

(e) Date of Termination. "***Date of Termination***" shall mean: (i) if the Employee's Employment is terminated by the Employee's death, the date of the Employee's death, or (ii) if the Employee's Employment is terminated pursuant to any of the other terms set forth herein, the date specified in the Notice of Termination.

(f) Transition. Regardless of the circumstances surrounding the Employee's termination of Employment, the Employee hereby agrees that upon the Employee's termination of Employment, the Employee will return to the Company all Company property and will make reasonable efforts to facilitate the orderly transition of the Employee's duties and responsibilities. Any such transition assistance following Employee's last day of employment with the Company, shall be at no out-of-pocket cost or expense to the Employee and shall be subject to Employee's commitments to any new employer.

(g) Severance Benefits.

(i) Non-Compete Payments after Termination. In the event of the Company's termination of Employee's Employment not for Cause, or the Employee's resignation from Employment for Good Reason (as defined below), then in consideration for Employee's compliance with and performing of the obligations set forth in Section 1(h) below ('*Unfair Competition and Non-Solicitation*') during the noncompetition period as set forth in Section 1(h)(i) below, the Company shall pay Employee, (A) in a single lump-sum payment an amount equal to six (6) months of the Base Salary, less applicable deductions and withholdings and less any severance pay-related amounts (if any) then paid, payable or accrued and released to or for the benefit of the Employee (whether pursuant to applicable law, any agreement, or otherwise) as a result of or in connection with such termination; and (B) an amount equal to the cash value of six (6) months of Employee's applicable COBRA premiums, less applicable deductions and withholdings (including the amount of COBRA premiums for any of Employee's eligible dependents, as determined by the Company in its sole discretion) which Employee may, but is not obligated to, use towards the cost of COBRA premiums; *provided, however*, Employee shall be eligible to receive an amount equal to the cash value of up to seven (7) months of Employee's applicable COBRA premiums, less applicable deductions and withholdings, in the event that the Company waives all or part of the Notice Period (collectively, the "***Severance Benefits***"). The receipt of any payments herein is subject to Employee signing and not revoking a Release (as defined below) within the minimum time period required by applicable law, as specified by the Release. The Severance Benefits under this Section 1(g)(i) shall be in addition to the Base Salary paid to Employee during or in lieu of the Notice Period. For avoidance of doubt, in no event shall this Section 1(g)(i)(B) operate to result in Employee receiving an amount greater than the amount equal to the cash value of seven (7) months of COBRA premiums, less applicable deductions and withholdings.

(ii) For purposes of the Agreement, "***Good Reason***" means the occurrence of any of the following events without the Employee's consent; provided, that any resignation by the Employee due to any of the following conditions will only be deemed as made for Good Reason if: (i) the Employee gives the Company written notice of the circumstances alleged by Employee to constitute Good Reason and of the intent to terminate Employment for Good Reason, which notice will be delivered within 30 days following the first occurrence of the condition(s) that the Employee believes constitutes Good Reason and will describe such condition(s); (ii) the Company fails to remedy, if remediable, such condition(s) within 30 days following receipt of the Employee's aforesaid written notice (the "***Cure Period***"); (iii) the Employee has cooperated in good faith with Company's efforts to remedy such condition(s); and (iv) the Employee actually resigns from his/her Employment within the first 15 days after expiration of the Cure Period: (a) a material reduction by the Company of Employee's Base Salary or annual bonus target (if any) as in effect immediately prior to the reduction, provided that a compensation plan change that affects similarly all employees at similar levels will not constitute Good Reason; (b) a material reduction in the Employee's authority, duties or responsibilities, provided that a reduction that takes place within twelve (12) months following a Change in Control, or a change in job title or reporting relationship without a reduction in Employee's base salary or annual bonus target, will not constitute Good Reason; (c) if, in connection with a Change in Control, the Acquiror does not offer Employee Comparable Employment (as defined below), or offers Comparable Employment that does not include equivalent or greater severance benefits than the Severance Benefits set forth in Section 1(g)(i) above, as reasonably determined by the Company in its sole discretion; or (d) relocation of the offices at which the Employee is required to work to a location outside 50 miles from Employee's home. Employee's death or Disability will not constitute a without Cause termination or Good Reason resignation under the Agreement.

(iii) For purposes of the Agreement, a "***Change in Control***" shall mean a Merger/Sale as defined under the Company's 2017 Share Incentive Plan, as amended.

(iv) Acceleration upon Termination in connection with a Change of Control. In the event of a Change in Control, if the Employee's Employment is terminated by the Company not for Cause or the Employee resigns from Employment for Good Reason, in either case, within twelve (12) months following the consummation of such a Change in Control, then any Options and other equity awards of the Company that have been granted to the Employee prior to the Change of Control and are outstanding as of the Date of Termination shall fully vest and become exercisable on such date in accordance with the terms of the applicable Plans. The receipt of any payments or accelerated vesting herein is subject to Employee signing and not revoking a Release (as defined below) within the minimum time period required by applicable law, as specified by the Release.

(v) Conditions Precedent. Any severance payments, benefits, or acceleration contemplated by this Section 1(g) are conditional on Employee: (i) continuing to comply with the terms of the Agreement and the Undertaking; and (ii) signing and not revoking a separation agreement and release of known and unknown claims in the form provided by the Company (including non-disparagement, cooperation with the Company and no cooperation with third parties provisions) (the "***Release***") and provided that such Release becomes effective and irrevocable within the minimum time period required by applicable law, as specified by the Release (such deadline, the "***Release Deadline***"). If the Release does not become effective by the Release Deadline, Employee will forfeit any rights to payments, benefits, or acceleration under this Section 1(g) or elsewhere in the Agreement. Any severance payments under the Agreement that would not be considered deferred compensation subject to Section 409A will be paid on the first payroll date that occurs on or after the date the Release becomes effective.

(vi) Section 409A. The payments and benefits under the Agreement are intended to qualify for an exemption from application of Section 409A of the Code ("***Section 409A***") or comply with its requirements to the extent necessary to avoid adverse personal tax consequences under Section 409A, and any ambiguities herein will be interpreted accordingly. To the extent that any payment or benefit described in the Agreement constitutes "non-qualified deferred compensation" under Section 409A, and to the extent that such payment or benefit is payable upon the termination of the Employment, then such payments or benefits will be payable only upon Employee's "separation from service." The determination of whether and when a separation from service has occurred will be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h). Notwithstanding anything in the Agreement to the contrary, if at the time of Employee's separation from service, the Company determines that Employee is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that Employee become entitled to under the Agreement on account of Employee's separation from service would be considered deferred compensation subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment will not be payable and such benefit will not be provided until the date that is the earlier of (A) six months and one day after Employee's separation from service, (B) Employee's death, or (C) such earlier date as permitted under Section 409A without imposition of adverse taxation. The Company makes no representation or warranty and will have no liability to the Employee or any other person if any provisions of the Agreement are determined to constitute deferred compensation subject to Section 409A but do not satisfy an exemption from, or the conditions of, Section 409A.

(vii) Modified Economic Cutback Following a Sale Event. If any payment or benefit that the Employee would receive from the Company or otherwise in connection with a Change in Control or other similar transaction (a "***280G Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then any such 280G Payment (a "***Payment***") will be equal to the Reduced Amount. The "***Reduced Amount***" will be either (x) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount (i.e., the amount determined by clause (x) or by clause (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Employee's receipt, on an after- tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount is determined pursuant to clause (x) of the preceding sentence, the reduction will occur in the manner (the "***Reduction Method***") that results in the greatest economic benefit for the Employee. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata (the "***Pro Rata Reduction Method***").

Notwithstanding the foregoing, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A of the Code that would not otherwise be subject to taxes pursuant to Section 409A of the Code, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, will be modified so as to avoid the imposition of taxes pursuant to Section 409A of the Code as follows: (A) as a first priority, the modification will preserve to the greatest extent possible, the greatest economic benefit for the Employee as determined on an after-tax basis; (B) as a second priority, Payments that are contingent on future events (e.g., being terminated without Cause), will be reduced (or eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A of the Code will be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A of the Code.

Unless the Employee and the Company agree on an alternative accounting firm, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the change of control transaction triggering the Payment will perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the change of control transaction, the Company will appoint a nationally recognized accounting firm to make the determinations required hereunder. The Company will bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The Company will use commercially reasonable efforts to cause the accounting firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to the Employee and the Company within 15 calendar days after the date on which the Employee's right to a 280G Payment becomes reasonably likely to occur (if requested at that time by the Employee or the Company) or such other time as requested by the Employee or the Company.

If the Employee receives a Payment for which the Reduced Amount was determined pursuant to clause (x) of the first paragraph of this Section and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, the Employee will promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) of the first paragraph of this Section so that no portion of the remaining Payment is subject to the Excise Tax). For the avoidance of doubt, if the Reduced Amount was determined pursuant to clause (y) in the first paragraph of this Section, the Employee will have no obligation to return any portion of the Payment pursuant to the preceding sentence.

(viii) Forfeiture of Severance Benefits upon Change in Control. If, in connection with a Change in Control:

(A) Employee is offered, before the Change of Control Date, Comparable Employment, as defined below, by the party purchasing or acquiring control of the Company or its assets, or any affiliate thereof (the "***Acquiror***"), on terms that contain severance benefits that, taken as a whole, are equal to or greater in value, as reasonably determined by the Company in its sole discretion, than the Severance Benefits set forth in Section 1(g)(i) above, then— regardless of whether or not Employee agrees to and accepts, or rejects, such employment offer with Acquiror—the provisions of Section 1(g)(i) shall not apply, and Employee hereby waives any right to the Severance Benefits and acknowledges that Employee shall not be entitled to, and neither the Company nor Acquiror (nor any of their respective affiliates) will pay to Employee, the Severance Benefits even if Employee's Employment is subsequently terminated by the Company or Acquiror (as the case may be) not for Cause or Employee subsequently resigns from any such employment for Good Reason;

(B) Employee is offered, before the Change of Control Date, Comparable Employment by the Acquiror on terms that contain severance benefits that, taken as a whole, are of less value, as reasonably determined by the Company in its sole discretion, than the Severance Benefits set forth in Section 1(g)(i) above, and the Employee agrees to and accepts such employment offer with the Acquiror, then the provisions of Section 1(g)(i) shall not apply, and Employee hereby waives any right to the Severance Benefits and acknowledges that Employee shall not be entitled to, and neither the Company nor Acquiror (nor any of their respective affiliates) will pay to Employee, the Severance Benefits even if Employee's Employment is subsequently terminated by the Company or Acquiror (as the case may be) not for Cause or Employee subsequently resigns from any such employment for Good Reason; or

(C) Employee is not offered, before the Change of Control Date, Comparable Employment by the Acquiror, and Employee's Employment is subsequently terminated by the Company not for Cause or the Employee subsequently resigns for Good Reason, then in either case Employee will be entitled to the Severance Benefits as set forth in Section 1(g)(i) above.

For purposes of this Agreement, "***Comparable Employment***" is defined as employment that, taken as a whole and as reasonably determined by the Company in its sole discretion, is substantially similar to Employee's Employment hereunder, including the employment's title, duties, obligations, base salary, target bonus, and work location.

(h) Unfair Competition and Non-Solicitation.

The Employee, acknowledging that he/she provides services that are of particular and special value to the Company and its direct or indirect parent, subsidiary and affiliated companies, and its and their respective successors and assigns (in this Section 1(h), collectively – the "***Company***"), and that it is critical for the Company to preserve and protect its Confidential Information, and its rights in Inventions and in all related intellectual property rights, hereby undertakes and warrants towards the Company as follows:

(i) Employee undertakes that during the term of engagement with the Company and the Tail Period (as defined below), regardless of the reason for Employee's separation from Company, Employee shall not, directly or on behalf of any other third party: (i) engage in or establish or otherwise become involved in, either as an employee, owner, partner, agent, shareholder, director, consultant or otherwise, any business, occupation, work or any other activity involving stem cell therapies and/or NK cells, in each case relating to the treatment of cancer; (ii) solicit, hire or retain as an employee, consultant or otherwise, any employee of the Company or induce or attempt to induce any such employee to terminate or reduce the scope of such employee's employment with the Company; and (iii) solicit or induce, or attempt to solicit or induce, any employee, consultant, service provider, business partner, agent, distributor, supplier or customer of the Company, or any third party with respect to which the Company took substantial steps to engage as an employee or as any of the foregoing capacities during the period of Employee's engagement with the Company, to terminate, reduce or modify the scope of its or their engagement with the Company or work for, in any capacity, a competitor of the Company. It is understood that the restrictions set forth in Section 1(h)(i) above shall apply only to those geographical areas in which the Company actively conducts, or takes meaningful steps to actively conduct its business during the period of Employee's Employment at the Company. Employee hereby represents and confirms that the restrictions set forth in this paragraph are not unduly burdensome, financially or otherwise, for the Employee. For purposes of this Section 1(h) and Section 2.1 of the Confidentiality Agreement, the "***Tail Period***" means, in the event of Employee's separation from the Company, a period of six (6) months from the Termination Date, irrespective of (i) whether the Company or the Employee terminates Employee's Employment, and (ii) the reason the Employee's Employment terminates.

(ii) Employee acknowledges that in light of Employee's positions at the Company and in view of Employee's exposure to, and involvement in, the Company's sensitive and valuable proprietary information, intellectual property and technologies, Confidential Information and Confidential Materials (the "***Company's Material Assets***"), the provisions of this Section 1(h) are reasonable and necessary to legitimately protect the Company's Material Assets, and are being undertaken by Employee as a condition to the engagement of Employee by the Company. Employee confirms that Employee has carefully reviewed the provisions of this Section 1(h), fully understands the consequences thereof and has assessed the respective advantages and disadvantages to Employee of entering into this Amendment and, specifically, Section 1(h) hereof. Employee understands that, Employee has the right to consult with counsel prior to signing this Amendment. Employee hereby confirms that Employee has had ample time to exercise such right. Notwithstanding anything to the contrary contained in the Agreement or otherwise, the Employee declares that he/she is financially capable of undertaking these non-compete and non-solicitation provisions.

(iii) Employee reaffirms and agrees to observe and abide by the terms of the Undertaking, including the Confidentiality, Unfair Competition and Ownership of Inventions Undertaking (the "***Confidentiality Agreement***"), specifically including the provisions therein regarding nondisclosure of the Company's trade secrets and confidential and proprietary information, noncompetition (as amended by Section 1(h) above), and nonsolicitation of Company employees. Employee acknowledges and agrees that the enforcement of the covenants in this Section 1(h), and otherwise in the Agreement, is not contingent upon the payment of any additional cash consideration or the grant of any benefit, and that any payments (if any) made to Employee by the Company during the post-termination period set forth in Section 1(h)(i) above (such as non-compete payments, on certain circumstances) shall not limit or otherwise affect the enforceability of the covenants for the entire applicable period set forth above, and that good and valid consideration exists for the covenants herein and those in the Confidentiality Agreement apart from any cash consideration, and that such covenants are separately justified, appropriate and based on legitimate business reasons, regardless of the circumstances surrounding Employee's separation from the Company. Employee understands and agrees that the provisions of Section 1(g) above and this Section 1(h) shall not apply if Employee's Employment with the Company is based in the State of California.

(i) Retention Payment. Provided that Employee remains continuously employed by the Company through the earlier of (i) forty-five (45) days after the Change in Control Date, or (ii) September 30, 2024 (the "***Retention Period***"), the Company shall provide Employee, in a single lump-sum payment, an amount equal to one hundred twenty-five thousand dollars ($125,000) (the "***Retention Payment***"), less applicable deductions and withholdings, on the first normal payroll date that occurs on or after the final day of the month in which the Retention Period ends. For purposes of this Agreement, the date upon which the Change in Control closes shall be referred to as the "***Change in Control Date.***" When and whether the Company has "closed" a Change in Control shall be determined by the release of shares or the cash wires funding the payments for the Change in Control. The Retention Payment will not be earned by Employee until the final day of the Retention Period, subject to Employee remaining employed and complying with Employee's obligations under this Agreement and the Undertaking during the Retention Period. In the event that the Company terminates Employee's Employment without Cause or Employee resigns from Employment with the Company for Good Reason within twelve (12) months after the final day of the Retention Period, the Retention Payment shall be deducted from the amount of any Severance Benefits to be paid to the Employee under Section 1(g)(i).

The provisions of this Section 1 amend, supersede, replace and terminate in its or their entirety any and all provisions of the Original Agreement that govern or pertain to, or otherwise set forth any terms or conditions relating to, any termination of Employment or any severance or other payments, or vesting acceleration or other benefits, to which Employee may be eligible (if at all) upon, after or in connection with any such termination.

2. Employee Representations.

(a) The Employee hereby acknowledges that the Employee's undertakings under Section 1(h) constitute a precondition of the Employment. The Employee further affirms that the Agreement, including all exhibits, schedules and appendices thereto, and the Plans (as defined in the Original Agreement) constitute the entire understanding of the Parties with respect to the subject matter hereof or otherwise to the Employee's Employment with the Company, and supersede any prior agreement, promises, negotiations, proposals, discussions, understandings and arrangements whether oral or written between the Company and the Employee, and all other agreements existing between the Parties and relating to the subject matter hereof are expressly canceled (including, without limitation, the Previous Amendment and the Bonus Agreement).

(b) The Employee acknowledges that the Employee has been advised, or was previously advised, to obtain independent counsel to evaluate the terms, conditions and covenants set forth in this Amendment, and the Employee has been, or was, afforded ample opportunity to obtain such independent advice and evaluation. The Employee warrants to the Company that the Employee has relied upon such independent counsel and not upon any representation (legal or otherwise), statement or advice said or offered by the Company or the Company's counsel in connection with this Agreement.

3. No Retention Rights. Nothing in the Agreement or otherwise shall confer upon Employee the right to continue in the employ of, or be in the service of the Company or any Subsidiary or other affiliate thereof as a service provider or to be entitled to any remuneration or benefits not set forth in the Agreement, or to interfere with or limit in any way the right of the Company or any such Subsidiary or other affiliate thereof to terminate Employee's Employment or service (including, any right of the Company or any of its affiliates to immediately cease the Employee's Employment or service or to shorten all or part of the Notice Period, regardless of whether notice of termination was given by the Company or its affiliate or by the Employee). Employee shall not be entitled to claim and Employee hereby waives any claim against the Company or any Subsidiary or other affiliate thereof, that Employee was prevented from continuing to accrue any rights pursuant to the Agreement as of and through the date of termination of employment with, or services to, the Company or any Subsidiary or other affiliate thereof. Employee shall be entitled to any compensation which would have accrued had Employee's Employment or engagement with the Company (or any Subsidiary or other affiliate thereof) not been terminated.

4. Choice of Law. All questions concerning the construction, validity and interpretation of the Agreement will be governed by the laws of the state or commonwealth in which Employee primarily works for the Company, without regard to any conflict of laws principles that would require the application of the laws of a different jurisdiction. Employee expressly consents to the personal jurisdiction and venue of the state and federal courts located in the state or district in which Employee primarily works for Company and the state or district in which Company's headquarters is located for any lawsuit filed there against Employee by Company arising from or related to the Agreement (although Company will not file a lawsuit in the state or district in which Company's headquarters is located if prohibited by applicable law). Employee will not change the state or district where Employee is primarily working for the Company without providing prior written notice to the Company of such change (other than in the case of any such change requested or required of Employee by the Company).

The provisions of this Section 4 amend, supersede, replace and terminate in its or their entirety any and all provisions of the Original Agreement that govern or pertain to, or otherwise set forth, the law that governs the Agreement or any aspect thereof (such as the validity, interpretation, construction or performance thereof) or the jurisdiction or venue for the filing of any lawsuit arising from or related to the Agreement.

5. No Further Amendments; Entire Agreement. Except as expressly amended herein, the Original Agreement shall remain in full force and effect. The Agreement and the Plans (as defined in the Original Agreement) constitute the full and entire understanding and agreement among the parties hereto with respect to the subject matter thereof and hereof, and any other written or oral agreement relating to the subject matter hereof existing between any, some or all of the parties hereto is expressly canceled (including, without limitation, the Previous Amendment and the Bonus Agreement).

6. Remedies of the Company. Upon any termination of the Employment for Cause, the reasons for which may cause irreparable harm to the Company, the Company shall be entitled to institute and prosecute proceedings to obtain injunctive relief and damages, costs and expenses, including, without limitation, reasonable attorneys' fees and expenses.

7. Enforceability of the Agreement.

(a) The invalidity or unenforceability of any provision of the Agreement shall not affect the validity or enforceability of any other provision hereunder. If a court of competent jurisdiction determines that any portion of the Agreement is in violation of any statute or public policy only the portions of the Agreement that violate such statute or public policy shall be stricken, and all other portions of the Agreement that do not violate any statute or public policy shall continue in full force and effect. Further, if any one or more of the provisions contained in the Agreement is determined by a court of competent jurisdiction in any State to be excessively broad as to duration, scope, activity or subject, or is unreasonable or unenforceable under the laws of such State, such provisions will be construed by limiting, reducing, modifying or amending them so as to be enforceable to the maximum extent permitted by the law of that State. If the Agreement is held unenforceable in any jurisdiction, such holding will not impair the enforceability of the Agreement in any other jurisdiction.

(b) No waiver by either Party hereto at any time or any breach by the other Party hereto of, or compliance with, any condition or provision of the Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

8. Counterparts. This Amendment may be executed in one or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered to the other parties hereto; it being understood that all parties hereto need not sign the same counterpart. Counterparts may also be delivered by facsimile or email transmission (in pdf format or the like, or signed with docusign, e-sign or any similar form of signature by electronic means) and any counterpart so delivered shall be sufficient to bind the parties to this Amendment or any other agreements contemplated hereby, as an original.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties have executed this Amended and Restated Amendment to Employment Agreement as of the date first written above.

GAMIDA CELL INC.

By: */s/ Abigail Jenkins*
Name: Abigail Jenkins
Title: President & Chief Executive Officer

/s/ Joshua Patterson
JOSHUA PATTERSON

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (this "Agreement"), dated as of July 15, 2021 (the "Effective Date") is by and between **GAMIDA CELL, INC**., a Delaware Corporation (the "Company"), and **JOSHUA PATTERSON** (the "Employee") (individually, each a "Party" and collectively, the "Parties").

WHEREAS, in recognition of the Employee's experience and abilities, the Company desires to assure itself of the employment of the Employee in accordance with the terms and conditions provided herein; and

WHEREAS, the Employee seeks to be employed by the Company and to perform services for the Company and its affiliated entities in accordance with the terms and conditions provided herein.

NOW, THEREFORE, in consideration of the promises and the respective covenants and agreements of the Parties herein contained, and intending to be legally bound hereby, the Parties hereto agree as follows:

1. Employment. The Company hereby agrees to employ the Employee, and the Employee hereby agrees to be employed by the Company and to perform services for the Company, its subsidiaries and affiliates, on the terms and conditions set forth herein (the "Employment").

2. Term. Unless otherwise mutually agreed by the Parties in writing, the Employment shall commence on August 30, 2021 (the "Start Date"), and shall continue until terminated by either the Employee or the Company, pursuant to Section 7 hereof (the period of Employment pursuant to this Agreement, the "Term").

3. Position. During the Term, the Employee shall serve as the Company's General Counsel (the "Position").

4. Duties and Reporting Relationship. During the Term, the Employee shall devote one hundred percent of the Employee's regular business time and, on a full-time basis, use the Employee's skills and render services to the best of the Employee's abilities on behalf of the Company. The Employee shall report directly to the Chief Executive Officer of the Company (the "Supervisor"). The Employee agrees that to the best of the Employee's ability, the Employee will make all efforts to loyally and conscientiously perform the duties and obligations required of and from the Employee pursuant to the terms of this Agreement. The Employee shall be responsible for all duties reasonably associated with the Position, as determined by the Supervisor, as may be updated from time to time. The Employee shall comply with all of the lawful policies and procedures of the Company.

5. Place of Performance. The Parties agree that the Employee shall work from the Employee's home office in Wilton, Connecticut and travel to the Company's Boston, Massachusetts office on an as-needed basis, as determined reasonably appropriate by the Company. The Employee acknowledges and agrees that, in connection with the Employment for the Company, on an as-needed basis, the Employee will be required to travel throughout North America as well as outside of the North America geographical area, including but not limited to the State of Israel.

6. Compensation and Related Matters.

(a) Annual Base Salary. During the Term, the Company shall pay to the Employee an annual base salary (the "Base Salary") at a rate of Three Hundred and Eighty Thousand United States Dollars ($380,000), to be paid on a prorated basis in conformity with the Company's payroll policies relating to its employees, in each case less applicable withholdings and deductions, not less frequently than twice each month. The Position qualifies as exempt from overtime payments for hours worked in excess of forty (40) per week, and the Employee will therefore not be entitled to any such overtime compensation. Employee's Base Salary shall be reviewed annually as part of the Company's normal salary review process by the Company and may be increased by the Company in its sole discretion. For the avoidance of doubt, any such increased annual base salary shall be considered Employee's "Base Salary" for all purposes of this Agreement.

(b) Annual Target Bonus. In addition to the compensation set forth above in Section 6(a), following each calendar year, the Employee shall be eligible for an annual target bonus of up to Forty Percent (40%) of the Base Salary as in effect at the start of that calendar year, upon the attainment of goals and targets established in writing by the Company's Board of Directors (the "Board"), with such annual target bonus (if earned and declared) to be paid to the Employee in the payroll cycle for March of the year that immediately follows such calendar year, less applicable withholdings and deductions (the "Annual Target Bonus").

(c) One Time Sign-On Bonus. In addition to the Base Salary and the Annual Target Bonus, not later than sixty (60) days after the Start Date, the Employee will be given a one-time sign-on bonus in the amount of Fifty Thousand United States Dollars ($50,000), which will be paid in accordance with the Company's regular payroll procedures, and subject to applicable withholdings and deductions (the "Sign-On Bonus"). It is understood that in the event that the Employment is terminated by the Company for Cause (as defined below) prior to the two (2)-year anniversary of the Start Date, or in the event that the Employee resigns prior to the six (6)-month anniversary of the Start Date, the Employee shall be obligated to repay the full amount of such Sign-On Bonus to the Company by no later than thirty (30) days following the Date of Termination (as defined below). In the event that the Employee resigns following the six (6)-month anniversary of the Start Date, but prior to the two (2)-year anniversary of the Start Date, the Employee shall be obligated to repay to the Company a proportional sum of the Sign-On Bonus, prorated in accordance with the period of time during which the Employee was employed by the Company, as a percentage of two (2) full years, and the Employee shall be required to repay such sum to the Company by no later than thirty (30) days following the Date of Termination.

(d) Benefits. During the Term hereof, the Employee shall be entitled to the following benefits:

(i) Health Insurance. The Company shall make available to the Employee health insurance coverage for the Employee, in accordance with the policies obtained by the Company on behalf of similarly situated employees. Such health insurance shall include medical, dental and vision coverage.

(ii) 401(k). The Employee shall be eligible to participate in the Company's 401(k) Plan, in accordance with the terms of such Plan.

(iii) Disability Coverage; D & O Insurance. The Employee shall be eligible for both short-term and long-term disability coverage in accordance with the plans secured by the Company and made available to similarly situated employees. In addition, the Employee will be insured under the Company's D & O liability coverage, pursuant to the terms of such coverage.

(iv) Stock Options. The Company shall recommend to the Board of Directors of Gamida Cell Ltd., the Company's parent entity (the "Board" and the "Parent", respectively), that the Employee be granted 30,000 restricted Ordinary Shares ("RS") and options to purchase 175,000 ordinary shares of the Parent (the "Options"), pursuant to the terms of the Parent's Stock Incentive Plan and applicable grant agreements, as approved and adopted by the Board (all applicable agreements, collectively, the "Plans"), which Options and RS shall vest in accordance with the vesting schedule that applies to similarly situated employees. All matters related to such Options, including but not limited to the grant itself, vesting schedule, exercise price and the required execution of any governing agreement and/or other documentation, shall be subject to the sole discretion of the Board. It is understood that nothing herein is intended to constitute a grant of, or right to, any share capital of the Company, and it is hereby confirmed that the Employee shall be solely responsible for any tax liability incurred in connection with the Options, including but not limited to with respect to the grant, exercise, and/or sale of such Options.

(v) Paid Time Off.

(1) Vacation. The Employee shall be entitled to take twenty (20) work days of vacation per calendar year, with such days to be prorated for partial years of employment. It is agreed that the Employee shall coordinate the timing of taking such vacation days with the Supervisor. The Employee shall be entitled to carry over accrued but unused vacation days from one calendar year into the following calendar year, but at no time shall the Employee accrue more than twenty (20) work days of vacation.

(2) Holidays. In addition to vacation days, the Employee shall be entitled to take off the paid holidays that are published at the start of each calendar year. The Company does not pay out worked holidays.

(3) Sick Time. The Employee will accrue 1 hour of paid sick time for every 30 hours worked, up to a maximum of forty (40) hours paid sick time per calendar year. Accrued but unused paid sick time shall be carried over from one calendar year to the following calendar year, with a maximum of forty (40) hours to be used for purposes of sick time in any given calendar year.

(4) Separation from the Company. Upon the Employee's termination of employment by the Company or the Employee's resignation, the Employee will be entitled to the payout of any accrued but unused vacation days, but will not be eligible for payout on account of unused sick time or worked holidays.

(vi) Company Property. The Company shall provide the Employee with Company property, including but not limited to a laptop, which shall remain at all times the property of the Company, to be used by the Employee in accordance with Company guidelines. Upon the Employee's termination of employment for any reason, the Employee will be obligated to immediately return the laptop to the Company.

(vii) Business Expenses. The Employee will be eligible for reimbursement of preapproved reasonable business expenses, including cell phone expenses as per a mutually agreed upon cell phone plan, as well as other expenses incurred in accordance with the Company's business expense reimbursement policies, as may be updated from time to time by the Company.

(e) Section 409A of the Internal Revenue Code of 1986, as amended. The Parties hereby affirm that with respect to any and all payments and benefits under this Agreement, the intent is that such payments and benefits either: (i) do not constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Internal Revenue Code ("Section 409A"), and therefore are exempt from Section 409A, (ii) are subject to a "substantial risk of forfeiture" and are exempt from Section 409A under the "short-term deferral rule" set forth in Treasury Regulation §1.409A-1(b)(4), or (iii) are in compliance with Section 409A. In any event, the Parties further confirm that they intend to have all provisions of this Agreement construed, interpreted and administered in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(f) The Employee shall be responsible for the payment of applicable taxes and other compulsory payments imposed by law on the Employee, in respect of, or resulting from, the compensation and the benefits paid or granted to, or received by the Employee, or contributed by the Company, or to which the Employee is or may be entitled, pursuant to this Agreement or the Employee's employment with the Company. The Company shall withhold or deduct from any payment or compensation to which the Employee is entitled, applicable amounts as required by law.

7. Termination. The Employee's Employment hereunder may be terminated without breach of this Agreement as set forth below:

(a) Death; Disability. The Employee's Employment hereunder shall terminate upon the Employee's death or "Disability" (as hereafter defined). Upon any such termination, the Employee (or, in the event of the Employee's death, the Employee's estate) shall receive the Base Salary through the "Date of Termination" (as hereafter defined), as well as reimbursement for unpaid business expenses through such date. The Employee (and, in the event of the Employee's death, the Employee's estate) shall not be entitled to any other amounts or benefits from the Company or otherwise. For purposes of this Agreement, "Disability" shall mean the inability of the Employee to perform the Employee's duties on account of a physical or mental illness for a period of sixty (60) consecutive days, or for ninety (90) days in any six (6) month period. Notwithstanding anything contained herein to the contrary, during any period of Disability, the Company shall not be obligated to pay any compensation or other amounts to the Employee, except as mandated by applicable law.

(b) Cause. The Company may terminate the Employee's Employment hereunder for Cause at any time upon written notice to Employee.

(i) For purposes of this Agreement, the Company shall have "Cause" to terminate the Employee's Employment hereunder upon the Employee's:

(1) commission of fraud, embezzlement, gross negligence, malfeasance, an act or acts constituting a felony under the laws of the United States or any state thereof, or a willful or grossly negligent act or omission which results in an assessment of a civil or criminal penalty against the Employee, or the Company or its affiliates;

(2) willful or continued failure to substantially perform the Employee's duties as directed by the Company; or

(3) violation of the terms of this Agreement or of the Undertaking (as defined below) attached hereto as Schedule A in any material respect.

(ii) (ii) A purported termination of Employee's employment for Cause shall not be effective unless (A) the Company provides written notice to Employee of the facts alleged by the Company to constitute Cause and such notice is delivered to Employee no more than 90 days after the Company has actual knowledge of such facts and (B) Employee has been given an opportunity of no less than 10 days after receipt of such notice to cure the circumstances alleged to give rise to Cause, and the Company has cooperated in good faith with Employee's efforts to cure such condition or circumstance, but only to the extent that such circumstances are reasonably curable.

(iii) In the event that the Company terminates the Employee's Employment for Cause, the Employee shall receive the Base Salary through the Date of Termination, as well as reimbursement for approved but unpaid business expenses through such date. The Employee shall not be entitled to any other amounts or benefits from the Company.

(c) Termination without Cause/Resignation. The Employee's Employment hereunder may be terminated (i) following the three (3) month anniversary of the Start Date, by the Company at any time, or, (ii) following the three (3) month anniversary of the Start Date, by the Employee upon the Employee's resignation. In the event of the termination of the Employee's Employment by the Company for any reason (other than a termination for Cause), or the Employee's resignation for any reason, it is agreed that one Party shall give the other Party one (1) month's notice of such termination in accordance with Section 7(d) hereunder. In the event of the Company's termination of Employee's Employment for any reason (other than a termination for Cause) or Employee's resignation for any reason: (i) the Employee shall receive the Base Salary through the Date of Termination, reimbursement for approved but unpaid business expenses through the Date of Termination, any fully earned and declared but unpaid Annual Target Bonus as of the Date of Termination, and (ii) the Company shall have the right to determine whether or not the Employee will actively work during the notice period.

(d) Notice of Termination. Any termination of the Employee's Employment by the Company or by the Employee (other than termination upon the death of the Employee) shall be communicated by written Notice of Termination by such Party to the other in accordance with Section 9 of this Agreement. Such Notice of Termination shall specify the last day of the Employee's Employment with the Company.

(e) Date of Termination. "Date of Termination" shall mean: (i) if the Employee's Employment is terminated by the Employee's death, the date of the Employee's death, or (ii) if the Employee's Employment is terminated pursuant to any of the other terms set forth herein, the date specified in the Notice of Termination.

(f) Transition. Regardless of the circumstances surrounding the Employee's termination of Employment, the Employee hereby agrees that upon the Employee's termination of Employment, the Employee will return to the Company all Company property and will make reasonable efforts to facilitate the orderly transition of the Employee's duties and responsibilities. Any such transition assistance following Employee's last day of employment with the Company, shall be at no out-of-pocket cost or expense to the Employee and shall be subject to Employee's commitments to any new employer.

8. Employee Representations.

(a) The Employee hereby represents and warrants that the Employee's performance of the terms of this Agreement will not breach any written or oral agreement entered into by the Employee with a former employer or with any other third party. The Employee further represents and warrants that the Employee will not engage in additional employment or recreational activities that would in any way pose a conflict of interest with the Employment.

(b) The Employee hereby confirms that the Employee is not owed any amounts or entitled to any benefits from the Company and/or its affiliates for any period of employment, consulting or services provided by the Employee prior to the Effective Date, whether to the Company or to any of its affiliated entities, and that the Employee has been paid in full any amounts which may be due to the Employee on the part of the Company and/or its affiliates on account of any such period of employment, consulting or services provided.

(c) The Employee hereby acknowledges that the Employee's signing of the Confidentiality and Ownership of Inventions, Unfair Competition and Non-Solicitation Undertaking attached hereto as Schedule A (the "Undertaking") constitutes a precondition of the Employment. The Employee further affirms that this Agreement and the Undertaking constitute the entire understanding of the Parties with respect to the subject matter hereof and supersede any understanding or agreement, whether oral or written between the Company and the Employee.

(d) The Employee understands that the Employment and obligations of the Company pursuant to this Agreement are conditioned upon the Employee's presenting to the Company and maintaining, in each case as required by applicable law, authorization to work in the United States. It is understood that absent such work authorization, the terms of this Agreement shall be null and void, and the Company shall have no obligations hereunder. In the event that the Employee is actively employed by the Company at the time of a lapse in the Employee's work authorization for any reason, the Employment shall immediately terminate and the Company shall have no obligations with respect to the Employee or pursuant to this Agreement.

(e) The Employee acknowledges that the Employee has been advised to obtain independent counsel to evaluate the terms, conditions and covenants set forth in this Agreement and its attached Schedule A, and the Employee has been afforded ample opportunity to obtain such independent advice and evaluation. The Employee warrants to the Company that the Employee has relied upon such independent counsel and not upon any representation (legal or otherwise), statement or advice said or offered by the Company or the Company's counsel in connection with this Agreement.

9. Notices. All notices and other communications under this Agreement shall be in writing and shall be given by email or first-class mail, certified or registered, and shall be deemed to have been duly given three (3) days after mailing, twenty-four (24) hours after transmission of email, or immediately upon acknowledgement of receipt, as follows:

If to the Company: **GAMIDA CELL, INC.**
Attention: Julian Adams, CEO
[***]
[***]

If to the Employee: **JOSHUA PATTERSON**
[***]
[***]

or as otherwise indicated as per the Company's personnel records for the Employee.

10. Remedies of the Company. Upon any termination of the Employment for Cause, the reasons for which may cause irreparable harm to the Company, the Company shall be entitled to institute and prosecute proceedings to obtain injunctive relief and damages, costs and expenses, including, without limitation, reasonable attorneys' fees and expenses.

11. Arbitration. Except as set forth above in Section 10 above and as set forth in the Undertaking, the Employee and the Company agree that any claim, controversy or dispute between the Employee and the Company (including, without limitation, its affiliates, officers, Employees, representative or agents) arising out of or relating to this Agreement, the Employment of the Employee, the cessation of Employment of the Employee, or any matter relating to the foregoing shall be submitted to and settled by arbitration pursuant to the Federal Arbitration Act in a forum of the American Arbitration Association ("AAA") located in the State of Connecticut and applying the substantive law of the State of Connecticut, unless otherwise mutually agreed upon by the Parties, and conducted in accordance with the National Rules for the Resolution of Employment Disputes. In such arbitration, the Parties shall agree upon a single arbitrator, who shall: (i) agree to treat as confidential evidence and other information presented by the Parties to the same extent as Confidential Information under the Undertaking must be held confidential by the Employee, (ii) have no authority to amend or modify any of the terms of this Agreement, and (iii) have ten (10) business days from the closing statements or submission of post-hearing briefs by the Parties to render his or her decision. Any arbitration award shall be final and binding upon the Parties, and any court, state or federal, having jurisdiction may enter a judgment on the award.

12. Enforceability of this Agreement.

(a) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereunder. If a court of competent jurisdiction determines that any portion of this Agreement is in violation of any statute or public policy only the portions of this Agreement that violate such statute or public policy shall be stricken, and all other portions of this Agreement that do not violate any statute or public policy shall continue in full force and effect. Further, if any one or more of the provisions contained in this Agreement is determined by a court of competent jurisdiction in any State to be excessively broad as to duration, scope, activity or subject, or is unreasonable or unenforceable under the laws of such State, such provisions will be construed by limiting, reducing, modifying or amending them so as to be enforceable to the maximum extent permitted by the law of that State. If the Agreement is held unenforceable in any jurisdiction, such holding will not impair the enforceability of the Agreement in any other jurisdiction.

(b) This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

(c) No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by the Employee and the Company. No waiver by either Party hereto at any time or any breach by the other Party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

(d) The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Connecticut without regard to its conflicts of law principles, unless otherwise mutually agreed upon by the Parties.

(e) The Company shall have the right to assign its rights and obligations under this Agreement to any individual, entity, corporation or partnership that succeeds to all or a portion of the relevant business or assets of the Company. This Agreement is personal to the Employee, and the Employee may not assign the Employee's rights and obligations under this Agreement to any third party.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Employment Agreement as set forth below.

GAMIDA CELL, INC.

Date: July 16, 2021

By: */s/ Julian Adams*
Julian Adams, Chief Executive Officer

JOSHUA PATTERSON

/s/ Joshua F. Patterson

Date: July 15, 2021

AMENDED AND RESTATED AMENDMENT TO EMPLOYMENT AGREEMENT

This AMENDED AND RESTATED AMENDMENT TO EMPLOYMENT AGREEMENT (this "***Amendment***") is made and entered into as of March 14, 2024, by and between Gamida Cell Inc., a Delaware corporation (the "***Company***"), and Ronit Simantov (the "***Employee***") (individually, each a "***Party***" and collectively, the "***Parties***").

WHEREAS, Employee is employed by the Company and performs services for the Company and its affiliates, on the terms and conditions set forth in that certain Offer Letter by and between the Company and Employee, dated as of April 30, 2017, as amended by that certain Amendment to Employment Agreement dated as of July 26, 2022 (the "***Original Agreement***" and the "***Previous Amendment,***" respectively; capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Original Agreement; the Original Agreement, as amended hereby, shall be referred to herein as the "***Agreement***");

WHEREAS, the Parties entered into a Retention Bonus and Special Transaction Bonus Agreement (the "***Bonus Agreement***") on May 21, 2023, wherein Company offered to pay Employee a retention bonus and a special transaction bonus upon satisfaction of conditions specified therein;

WHEREAS, in connection with Employee's Employment with the Company, the Employee has undertaken certain undertakings in the Original Agreement related to the preservation and protection of the confidential information of the Company and its affiliates and their respective rights in all inventions and in all related intellectual property rights (the "***Undertaking***"); and

WHEREAS, the Parties wish to amend and restate the Previous Amendment, and supersede and replace the Bonus Agreement such that, as of the Effective Date, the terms of this Amendment shall amend, restate, supersede, and replace all terms currently set forth in the Original Agreement, the Previous Amendment, and the Bonus Agreement in respect of the subject matters described herein whether or not expressly referred to herein or amended or replaced hereby, including any and all provisions of the Original Agreement that govern or pertain to the termination of Employment (however arises) and to any severance or other payments or benefits to which Employee may be eligible in connection therewith, and any and all provisions of the Bonus Agreement, all as further set forth in this Amendment.

NOW, THEREFORE, in consideration of the promises and the respective covenants and agreements of the Parties herein contained, and intending to be legally bound hereby, the Parties hereto agree as follows:

1. Termination. The Employee's Employment may be terminated without breach of the Agreement as set forth below:

(a) Death; Disability. The Employee's Employment shall terminate upon the Employee's death or Disability (as hereafter defined) to the extent permissible under applicable law. Upon any such termination, the Employee (or, in the event of the Employee's death, the Employee's estate) shall receive the Base Salary through the Date of Termination (as hereafter defined), as well as (i) reimbursement for approved but unpaid business expenses through the Date of Termination, (ii) any fully earned and declared (by the board of directors of the Company (the "***Board***")) Annual Target Bonus as of the Date of Termination which was not paid yet, and (iii) any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination. The Employee (and, in the event of the Employee's death, the Employee's estate) shall not be entitled to any other amounts or benefits from the Company or otherwise upon any such termination, notwithstanding anything to the contrary contained in the Agreement or otherwise. For purposes of the Agreement, "***Disability***" shall mean the inability of the Employee to perform the Employee's duties on account of a physical or mental illness for a period of sixty (60) consecutive days, or for ninety (90) days in any six (6) month period. Notwithstanding anything to the contrary contained in the Agreement or otherwise, during any period of Disability, the Company shall not be obligated to pay any compensation, benefits or other amounts to the Employee, except as mandated by applicable law.

(b) Cause. The Company may terminate the Employee's Employment for Cause at any time upon written notice to Employee.

(i) For purposes of the Agreement, the Company shall have "***Cause***" to terminate the Employee's Employment hereunder pursuant to Employee's:

(1) any material breach of this Agreement or of any other written agreement between Employee and the Company, if such breach causes material harm to the Company or to any of its affiliates or reasonably threatens to cause such harm;

(2) any material failure to comply with the Company's written policies or rules, as they may be in effect from time to time during the Employment, if such failure causes material harm to the Company or to any of its affiliates and to the extent it is deemed curable by the Employee, is not cured within 10 days after written notice thereof is given to the Employee by the Company;

(3) any commission, conviction of, or a plea of "guilty" or "no contest" to, a felony under the laws of the United States or any State;

(4) any willful, intentional or grossly negligent act having the effect of materially injuring (whether financially or otherwise) the business or reputation of the Company or of any of its affiliates, which to the extent it is deemed curable by the Employee, is not cured within 10 days after written notice thereof is given to the Employee by the Company; or

(5) any willful misconduct with respect to any of Employee's material duties or obligations under the Agreement or applicable law or regulation, which, to the extent it is deemed curable is not cured within 10 days after written notice thereof is given to the Employee by the Company.

(ii) A purported termination of Employee's Employment for Cause shall not be effective unless the Company provides written notice to Employee of the facts alleged by the Company to constitute Cause and such notice is delivered to Employee no more than 90 days after the Company has actual knowledge of such facts.

(iii) In the event that the Company terminates the Employee's Employment for Cause, the Employee shall receive the Base Salary through the Date of Termination, and any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination, as well as reimbursement for approved but unpaid business expenses through the Date of Termination. The Employee shall not be entitled to any compensation, benefits or other amounts from the Company or otherwise upon such termination, notwithstanding anything to the contrary contained in the Agreement or otherwise.

(c) Termination without Cause/Resignation. The Employee's Employment may be terminated at any time by the Company or by the Employee upon the Employee's resignation. In the event of the termination of the Employee's Employment by the Company for any reason (other than a termination for Cause), or the Employee's resignation for any reason, it is agreed that the terminating Party shall give the other Party one (1) month's notice of such termination in accordance with Section 1(d) below (the "***Notice Period***"). In the event of the Company's termination of Employee's Employment for any reason (other than a termination for Cause) or Employee's resignation for any reason the Employee shall receive the Base Salary through the Date of Termination, reimbursement for approved but unpaid business expenses through the Date of Termination, fully earned and declared (by the Board) Annual Target Bonus as of the Date of Termination which was not paid yet, any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination, and, if applicable, the Severance Benefits described in Section 1(g) below, and without, however, derogating from the Company's rights under Section 3 below to terminate the Employee's Employment without Notice Period (in whole or in part, together with the payment of Base Salary in lieu of the part so waived), and to determine whether or not the Employee will attend work during the Notice Period or any part thereof.

(d) Notice of Termination. Any termination of the Employee's Employment by the Company or by the Employee (other than termination upon the death of the Employee) shall be communicated by written Notice of Termination by such Party to the other Party in accordance with the notice provisions of the Agreement. Such Notice of Termination shall specify the last day of the Employee's Employment with the Company.

(e) Date of Termination. "***Date of Termination***" shall mean: (i) if the Employee's Employment is terminated by the Employee's death, the date of the Employee's death, or (ii) if the Employee's Employment is terminated pursuant to any of the other terms set forth herein, the date specified in the Notice of Termination.

(f) Transition. Regardless of the circumstances surrounding the Employee's termination of Employment, the Employee hereby agrees that upon the Employee's termination of Employment, the Employee will return to the Company all Company property and will make reasonable efforts to facilitate the orderly transition of the Employee's duties and responsibilities. Any such transition assistance following Employee's last day of employment with the Company, shall be at no out-of-pocket cost or expense to the Employee and shall be subject to Employee's commitments to any new employer.

(g) Severance Benefits.

(i) Non-Compete Payments after Termination. In the event of the Company's termination of Employee's Employment not for Cause, or the Employee's resignation from Employment for Good Reason (as defined below), then in consideration for Employee's compliance with and performing of the obligations set forth in Section 1(h) below ('*Unfair Competition and Non-Solicitation*') during the noncompetition period as set forth in Section 1(h)(i) below, the Company shall pay Employee, (A) in a single lump-sum payment an amount equal to six (6) months of the Base Salary, less applicable deductions and withholdings and less any severance pay-related amounts (if any) then paid, payable or accrued and released to or for the benefit of the Employee (whether pursuant to applicable law, any agreement, or otherwise) as a result of or in connection with such termination; and (B) an amount equal to the cash value of six (6) months of Employee's applicable COBRA premiums, less applicable deductions and withholdings (including the amount of COBRA premiums for any of Employee's eligible dependents, as determined by the Company in its sole discretion) which Employee may, but is not obligated to, use towards the cost of COBRA premiums; *provided, however*, Employee shall be eligible to receive an amount equal to the cash value of up to seven (7) months of Employee's applicable COBRA premiums, less applicable deductions and withholdings, in the event that the Company waives all or part of the Notice Period (collectively, the "***Severance Benefits***"). The receipt of any payments herein is subject to Employee signing and not revoking a Release (as defined below) within the minimum time period required by applicable law, as specified by the Release. The Severance Benefits under this Section 1(g)(i) shall be in addition to the Base Salary paid to Employee during or in lieu of the Notice Period. For avoidance of doubt, in no event shall this Section 1(g)(i)(B) operate to result in Employee receiving an amount greater than the amount equal to the cash value of seven (7) months of COBRA premiums, less applicable deductions and withholdings.

(ii) For purposes of the Agreement, "***Good Reason***" means the occurrence of any of the following events without the Employee's consent; provided, that any resignation by the Employee due to any of the following conditions will only be deemed as made for Good Reason if: (i) the Employee gives the Company written notice of the circumstances alleged by Employee to constitute Good Reason and of the intent to terminate Employment for Good Reason, which notice will be delivered within 30 days following the first occurrence of the condition(s) that the Employee believes constitutes Good Reason and will describe such condition(s); (ii) the Company fails to remedy, if remediable, such condition(s) within 30 days following receipt of the Employee's aforesaid written notice (the "***Cure Period***"); (iii) the Employee has cooperated in good faith with Company's efforts to remedy such condition(s); and (iv) the Employee actually resigns from his/her Employment within the first 15 days after expiration of the Cure Period: (a) a material reduction by the Company of Employee's Base Salary or annual bonus target (if any) as in effect immediately prior to the reduction, provided that a compensation plan change that affects similarly all employees at similar levels will not constitute Good Reason; (b) a material reduction in the Employee's authority, duties or responsibilities, provided that a reduction that takes place within twelve (12) months following a Change in Control, or a change in job title or reporting relationship without a reduction in Employee's base salary or annual bonus target, will not constitute Good Reason; (c) if, in connection with a Change in Control, the Acquiror does not offer Employee Comparable Employment (as defined below), or offers Comparable Employment that does not include equivalent or greater severance benefits than the Severance Benefits set forth in Section 1(g)(i) above, as reasonably determined by the Company in its sole discretion; or (d) relocation of the offices at which the Employee is required to work to a location outside 50 miles from Employee's home. Employee's death or Disability will not constitute a without Cause termination or Good Reason resignation under the Agreement.

(iii) For purposes of the Agreement, a "***Change in Control***" shall mean a Merger/Sale as defined under the Company's 2017 Share Incentive Plan, as amended.

(iv) Acceleration upon Termination in connection with a Change of Control. In the event of a Change in Control, if the Employee's Employment is terminated by the Company not for Cause or the Employee resigns from Employment for Good Reason, in either case, within twelve (12) months following the consummation of such a Change in Control, then any Options and other equity awards of the Company that have been granted to the Employee prior to the Change of Control and are outstanding as of the Date of Termination shall fully vest and become exercisable on such date in accordance with the terms of the applicable Plans. The receipt of any payments or accelerated vesting herein is subject to Employee signing and not revoking a Release (as defined below) within the minimum time period required by applicable law, as specified by the Release.

(v) Conditions Precedent. Any severance payments, benefits, or acceleration contemplated by this Section 1(g) are conditional on Employee: (i) continuing to comply with the terms of the Agreement and the Undertaking; and (ii) signing and not revoking a separation agreement and release of known and unknown claims in the form provided by the Company (including non-disparagement, cooperation with the Company and no cooperation with third parties provisions) (the "***Release***") and provided that such Release becomes effective and irrevocable within the minimum time period required by applicable law, as specified by the Release (such deadline, the "***Release Deadline***"). If the Release does not become effective by the Release Deadline, Employee will forfeit any rights to payments, benefits, or acceleration under this Section 1(g) or elsewhere in the Agreement. Any severance payments under the Agreement that would not be considered deferred compensation subject to Section 409A will be paid on the first payroll date that occurs on or after the date the Release becomes effective.

(vi) Section 409A. The payments and benefits under the Agreement are intended to qualify for an exemption from application of Section 409A of the Code ("***Section 409A***") or comply with its requirements to the extent necessary to avoid adverse personal tax consequences under Section 409A, and any ambiguities herein will be interpreted accordingly. To the extent that any payment or benefit described in the Agreement constitutes "non-qualified deferred compensation" under Section 409A, and to the extent that such payment or benefit is payable upon the termination of the Employment, then such payments or benefits will be payable only upon Employee's "separation from service." The determination of whether and when a separation from service has occurred will be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h). Notwithstanding anything in the Agreement to the contrary, if at the time of Employee's separation from service, the Company determines that Employee is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that Employee become entitled to under the Agreement on account of Employee's separation from service would be considered deferred compensation subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment will not be payable and such benefit will not be provided until the date that is the earlier of (A) six months and one day after Employee's separation from service, (B) Employee's death, or (C) such earlier date as permitted under Section 409A without imposition of adverse taxation. The Company makes no representation or warranty and will have no liability to the Employee or any other person if any provisions of the Agreement are determined to constitute deferred compensation subject to Section 409A but do not satisfy an exemption from, or the conditions of, Section 409A.

(vii) Modified Economic Cutback Following a Sale Event. If any payment or benefit that the Employee would receive from the Company or otherwise in connection with a Change in Control or other similar transaction (a "***280G Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then any such 280G Payment (a "***Payment***") will be equal to the Reduced Amount. The "***Reduced Amount***" will be either (x) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount (i.e., the amount determined by clause (x) or by clause (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Employee's receipt, on an after- tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount is determined pursuant to clause (x) of the preceding sentence, the reduction will occur in the manner (the "***Reduction Method***") that results in the greatest economic benefit for the Employee. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata (the "***Pro Rata Reduction Method***").

Notwithstanding the foregoing, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A of the Code that would not otherwise be subject to taxes pursuant to Section 409A of the Code, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, will be modified so as to avoid the imposition of taxes pursuant to Section 409A of the Code as follows: (A) as a first priority, the modification will preserve to the greatest extent possible, the greatest economic benefit for the Employee as determined on an after-tax basis; (B) as a second priority, Payments that are contingent on future events (e.g., being terminated without Cause), will be reduced (or eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A of the Code will be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A of the Code.

Unless the Employee and the Company agree on an alternative accounting firm, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the change of control transaction triggering the Payment will perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the change of control transaction, the Company will appoint a nationally recognized accounting firm to make the determinations required hereunder. The Company will bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The Company will use commercially reasonable efforts to cause the accounting firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to the Employee and the Company within 15 calendar days after the date on which the Employee's right to a 280G Payment becomes reasonably likely to occur (if requested at that time by the Employee or the Company) or such other time as requested by the Employee or the Company.

If the Employee receives a Payment for which the Reduced Amount was determined pursuant to clause (x) of the first paragraph of this Section and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, the Employee will promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) of the first paragraph of this Section so that no portion of the remaining Payment is subject to the Excise Tax). For the avoidance of doubt, if the Reduced Amount was determined pursuant to clause (y) in the first paragraph of this Section, the Employee will have no obligation to return any portion of the Payment pursuant to the preceding sentence.

(viii) Forfeiture of Severance Benefits upon Change in Control. If, in connection with a Change in Control:

(A) Employee is offered, before the Change of Control Date, Comparable Employment, as defined below, by the party purchasing or acquiring control of the Company or its assets, or any affiliate thereof (the "***Acquiror***"), on terms that contain severance benefits that, taken as a whole, are equal to or greater in value, as reasonably determined by the Company in its sole discretion, than the Severance Benefits set forth in Section 1(g)(i) above, then— regardless of whether or not Employee agrees to and accepts, or rejects, such employment offer with Acquiror—the provisions of Section 1(g)(i) shall not apply, and Employee hereby waives any right to the Severance Benefits and acknowledges that Employee shall not be entitled to, and neither the Company nor Acquiror (nor any of their respective affiliates) will pay to Employee, the Severance Benefits even if Employee's Employment is subsequently terminated by the Company or Acquiror (as the case may be) not for Cause or Employee subsequently resigns from any such employment for Good Reason;

(B) Employee is offered, before the Change of Control Date, Comparable Employment by the Acquiror on terms that contain severance benefits that, taken as a whole, are of less value, as reasonably determined by the Company in its sole discretion, than the Severance Benefits set forth in Section 1(g)(i) above, and the Employee agrees to and accepts such employment offer with the Acquiror, then the provisions of Section 1(g)(i) shall not apply, and Employee hereby waives any right to the Severance Benefits and acknowledges that Employee shall not be entitled to, and neither the Company nor Acquiror (nor any of their respective affiliates) will pay to Employee, the Severance Benefits even if Employee's Employment is subsequently terminated by the Company or Acquiror (as the case may be) not for Cause or Employee subsequently resigns from any such employment for Good Reason; or

(C) Employee is not offered, before the Change of Control Date, Comparable Employment by the Acquiror, and Employee's Employment is subsequently terminated by the Company not for Cause or the Employee subsequently resigns for Good Reason, then in either case Employee will be entitled to the Severance Benefits as set forth in Section 1(g)(i) above.

For purposes of this Agreement, "***Comparable Employment***" is defined as employment that, taken as a whole and as reasonably determined by the Company in its sole discretion, is substantially similar to Employee's Employment hereunder, including the employment's title, duties, obligations, base salary, target bonus, and work location.

(h) Unfair Competition and Non-Solicitation.

The Employee, acknowledging that he/she provides services that are of particular and special value to the Company and its direct or indirect parent, subsidiary and affiliated companies, and its and their respective successors and assigns (in this Section 1(h), collectively – the "***Company***"), and that it is critical for the Company to preserve and protect its Confidential Information, and its rights in Inventions and in all related intellectual property rights, hereby undertakes and warrants towards the Company as follows:

(i) Employee undertakes that during the term of engagement with the Company and the Tail Period (as defined below), regardless of the reason for Employee's separation from Company, Employee shall not, directly or on behalf of any other third party: (i) engage in or establish or otherwise become involved in, either as an employee, owner, partner, agent, shareholder, director, consultant or otherwise, any business, occupation, work or any other activity involving stem cell therapies and/or NK cells, in each case relating to the treatment of cancer; (ii) solicit, hire or retain as an employee, consultant or otherwise, any employee of the Company or induce or attempt to induce any such employee to terminate or reduce the scope of such employee's employment with the Company; and (iii) solicit or induce, or attempt to solicit or induce, any employee, consultant, service provider, business partner, agent, distributor, supplier or customer of the Company, or any third party with respect to which the Company took substantial steps to engage as an employee or as any of the foregoing capacities during the period of Employee's engagement with the Company, to terminate, reduce or modify the scope of its or their engagement with the Company or work for, in any capacity, a competitor of the Company. It is understood that the restrictions set forth in Section 1(h)(i) above shall apply only to those geographical areas in which the Company actively conducts, or takes meaningful steps to actively conduct its business during the period of Employee's Employment at the Company. Employee hereby represents and confirms that the restrictions set forth in this paragraph are not unduly burdensome, financially or otherwise, for the Employee. For purposes of this Section 1(h) and Section 2.1 of the Confidentiality Agreement, the "***Tail Period***" means, in the event of Employee's separation from the Company, a period of six (6) months from the Termination Date, irrespective of (i) whether the Company or the Employee terminates Employee's Employment, and (ii) the reason the Employee's Employment terminates.

(ii) Employee acknowledges that in light of Employee's positions at the Company and in view of Employee's exposure to, and involvement in, the Company's sensitive and valuable proprietary information, intellectual property and technologies, Confidential Information and Confidential Materials (the "***Company's Material Assets***"), the provisions of this Section 1(h) are reasonable and necessary to legitimately protect the Company's Material Assets, and are being undertaken by Employee as a condition to the engagement of Employee by the Company. Employee confirms that Employee has carefully reviewed the provisions of this Section 1(h), fully understands the consequences thereof and has assessed the respective advantages and disadvantages to Employee of entering into this Amendment and, specifically, Section 1(h) hereof. Employee understands that, Employee has the right to consult with counsel prior to signing this Amendment. Employee hereby confirms that Employee has had ample time to exercise such right. Notwithstanding anything to the contrary contained in the Agreement or otherwise, the Employee declares that he/she is financially capable of undertaking these non-compete and non-solicitation provisions.

(iii) Employee reaffirms and agrees to observe and abide by the terms of the Undertaking, including the Confidentiality, Unfair Competition and Ownership of Inventions Undertaking (the "***Confidentiality Agreement***"), specifically including the provisions therein regarding nondisclosure of the Company's trade secrets and confidential and proprietary information, noncompetition (as amended by Section 1(h) above), and nonsolicitation of Company employees. Employee acknowledges and agrees that the enforcement of the covenants in this Section 1(h), and otherwise in the Agreement, is not contingent upon the payment of any additional cash consideration or the grant of any benefit, and that any payments (if any) made to Employee by the Company during the post-termination period set forth in Section 1(h)(i) above (such as non-compete payments, on certain circumstances) shall not limit or otherwise affect the enforceability of the covenants for the entire applicable period set forth above, and that good and valid consideration exists for the covenants herein and those in the Confidentiality Agreement apart from any cash consideration, and that such covenants are separately justified, appropriate and based on legitimate business reasons, regardless of the circumstances surrounding Employee's separation from the Company. Employee understands and agrees that the provisions of Section 1(g) above and this Section 1(h) shall not apply if Employee's Employment with the Company is based in the State of California.

(i) Retention Payment. Provided that Employee remains continuously employed by the Company through the earlier of (i) forty-five (45) days after the Change in Control Date, or (ii) September 30, 2024 (the "***Retention Period***"), the Company shall provide Employee, in a single lump-sum payment, an amount equal to one hundred twenty-five thousand dollars ($125,000) (the "***Retention Payment***"), less applicable deductions and withholdings, on the first normal payroll date that occurs on or after the final day of the month in which the Retention Period ends. For purposes of this Agreement, the date upon which the Change in Control closes shall be referred to as the "***Change in Control Date.***" When and whether the Company has "closed" a Change in Control shall be determined by the release of shares or the cash wires funding the payments for the Change in Control. The Retention Payment will not be earned by Employee until the final day of the Retention Period, subject to Employee remaining employed and complying with Employee's obligations under this Agreement and the Undertaking during the Retention Period. In the event that the Company terminates Employee's Employment without Cause or Employee resigns from Employment with the Company for Good Reason within twelve (12) months after the final day of the Retention Period, the Retention Payment shall be deducted from the amount of any Severance Benefits to be paid to the Employee under Section 1(g)(i).

The provisions of this Section 1 amend, supersede, replace and terminate in its or their entirety any and all provisions of the Original Agreement that govern or pertain to, or otherwise set forth any terms or conditions relating to, any termination of Employment or any severance or other payments, or vesting acceleration or other benefits, to which Employee may be eligible (if at all) upon, after or in connection with any such termination.

2. Employee Representations.

(a) The Employee hereby acknowledges that the Employee's undertakings under Section 1(h) constitute a precondition of the Employment. The Employee further affirms that the Agreement, including all exhibits, schedules and appendices thereto, and the Plans (as defined in the Original Agreement) constitute the entire understanding of the Parties with respect to the subject matter hereof or otherwise to the Employee's Employment with the Company, and supersede any prior agreement, promises, negotiations, proposals, discussions, understandings and arrangements whether oral or written between the Company and the Employee, and all other agreements existing between the Parties and relating to the subject matter hereof are expressly canceled (including, without limitation, the Previous Amendment and the Bonus Agreement).

(b) The Employee acknowledges that the Employee has been advised, or was previously advised, to obtain independent counsel to evaluate the terms, conditions and covenants set forth in this Amendment, and the Employee has been, or was, afforded ample opportunity to obtain such independent advice and evaluation. The Employee warrants to the Company that the Employee has relied upon such independent counsel and not upon any representation (legal or otherwise), statement or advice said or offered by the Company or the Company's counsel in connection with this Agreement.

3. No Retention Rights. Nothing in the Agreement or otherwise shall confer upon Employee the right to continue in the employ of, or be in the service of the Company or any Subsidiary or other affiliate thereof as a service provider or to be entitled to any remuneration or benefits not set forth in the Agreement, or to interfere with or limit in any way the right of the Company or any such Subsidiary or other affiliate thereof to terminate Employee's Employment or service (including, any right of the Company or any of its affiliates to immediately cease the Employee's Employment or service or to shorten all or part of the Notice Period, regardless of whether notice of termination was given by the Company or its affiliate or by the Employee). Employee shall not be entitled to claim and Employee hereby waives any claim against the Company or any Subsidiary or other affiliate thereof, that Employee was prevented from continuing to accrue any rights pursuant to the Agreement as of and through the date of termination of employment with, or services to, the Company or any Subsidiary or other affiliate thereof. Employee shall be entitled to any compensation which would have accrued had Employee's Employment or engagement with the Company (or any Subsidiary or other affiliate thereof) not been terminated.

4. Choice of Law. All questions concerning the construction, validity and interpretation of the Agreement will be governed by the laws of the state or commonwealth in which Employee primarily works for the Company, without regard to any conflict of laws principles that would require the application of the laws of a different jurisdiction. Employee expressly consents to the personal jurisdiction and venue of the state and federal courts located in the state or district in which Employee primarily works for Company and the state or district in which Company's headquarters is located for any lawsuit filed there against Employee by Company arising from or related to the Agreement (although Company will not file a lawsuit in the state or district in which Company's headquarters is located if prohibited by applicable law). Employee will not change the state or district where Employee is primarily working for the Company without providing prior written notice to the Company of such change (other than in the case of any such change requested or required of Employee by the Company).

The provisions of this Section 4 amend, supersede, replace and terminate in its or their entirety any and all provisions of the Original Agreement that govern or pertain to, or otherwise set forth, the law that governs the Agreement or any aspect thereof (such as the validity, interpretation, construction or performance thereof) or the jurisdiction or venue for the filing of any lawsuit arising from or related to the Agreement.

5. No Further Amendments; Entire Agreement. Except as expressly amended herein, the Original Agreement shall remain in full force and effect. The Agreement and the Plans (as defined in the Original Agreement) constitute the full and entire understanding and agreement among the parties hereto with respect to the subject matter thereof and hereof, and any other written or oral agreement relating to the subject matter hereof existing between any, some or all of the parties hereto is expressly canceled (including, without limitation, the Previous Amendment and the Bonus Agreement).

6. Remedies of the Company. Upon any termination of the Employment for Cause, the reasons for which may cause irreparable harm to the Company, the Company shall be entitled to institute and prosecute proceedings to obtain injunctive relief and damages, costs and expenses, including, without limitation, reasonable attorneys' fees and expenses.

7. Enforceability of the Agreement.

(a) The invalidity or unenforceability of any provision of the Agreement shall not affect the validity or enforceability of any other provision hereunder. If a court of competent jurisdiction determines that any portion of the Agreement is in violation of any statute or public policy only the portions of the Agreement that violate such statute or public policy shall be stricken, and all other portions of the Agreement that do not violate any statute or public policy shall continue in full force and effect. Further, if any one or more of the provisions contained in the Agreement is determined by a court of competent jurisdiction in any State to be excessively broad as to duration, scope, activity or subject, or is unreasonable or unenforceable under the laws of such State, such provisions will be construed by limiting, reducing, modifying or amending them so as to be enforceable to the maximum extent permitted by the law of that State. If the Agreement is held unenforceable in any jurisdiction, such holding will not impair the enforceability of the Agreement in any other jurisdiction.

(b) No waiver by either Party hereto at any time or any breach by the other Party hereto of, or compliance with, any condition or provision of the Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

8. Counterparts. This Amendment may be executed in one or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered to the other parties hereto; it being understood that all parties hereto need not sign the same counterpart. Counterparts may also be delivered by facsimile or email transmission (in pdf format or the like, or signed with docusign, e-sign or any similar form of signature by electronic means) and any counterpart so delivered shall be sufficient to bind the parties to this Amendment or any other agreements contemplated hereby, as an original.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties have executed this Amended and Restated Amendment to Employment Agreement as of the date first written above.

GAMIDA CELL INC.

By: */s/ Abigail Jenkins*
Name: Abigail Jenkins
Title: Chief Executive Officer

/s/ Ronit Simantov
RONIT SIMANTOV

AMENDMENT TO EMPLOYMENT AGREEMENT

This AMENDMENT TO EMPLOYMENT AGREEMENT (this "***Amendment***") is made and entered into as of July 26, 2022, by and between Gamida Cell, Inc., a Delaware corporation (the "***Company***"), and Ronit Simantov (the "***Employee***") (individually, each a "***Party***" and collectively, the "***Parties***").

WHEREAS, Employee is employed by the Company and performs services for the Company and its affiliates, on the terms and conditions set forth in that certain Offer Letter by and between the Company and Employee, dated as of April 30, 2017, as amended (the "***Employment***" and the "***Original Agreement***", respectively; capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Original Agreement; the Original Agreement, as amended hereby, shall be referred to herein as the "***Agreement***");

WHEREAS, in connection with Employee's Employment with the Company, the Employee has undertaken certain undertakings in the Original Agreement related to the preservation and protection of the confidential information of the Company and its affiliates and their respective rights in all inventions and in all related intellectual property rights (the "***Undertaking***");

WHEREAS, the Parties wish to amend the Original Agreement such that the terms of this Amendment shall govern the subject matters described in the immediately succeeding paragraph in lieu of all terms currently set forth in the Original Agreement in respect of such subject matters whether or not expressly referred to herein or amended or replaced hereby, all as further set forth in this Amendment.

NOW, THEREFORE, in consideration of the promises and the respective covenants and agreements of the Parties herein contained, and intending to be legally bound hereby, the Parties hereto agree to amend the Original Agreement as follows, such that the following provisions shall supersede, replace and terminate any and all provisions of the Original Agreement that govern or pertain to (i) the termination of Employment (however arises) and to any severance or other payments or benefits to which Employee may be eligible in connection therewith, or (ii) the governing law and jurisdiction of the Agreement:

1. Termination. The Employee's Employment may be terminated without breach of the Agreement as set forth below:

(a) Death; Disability. The Employee's Employment shall terminate upon the Employee's death or Disability (as hereafter defined) to the extent permissible under applicable law. Upon any such termination, the Employee (or, in the event of the Employee's death, the Employee's estate) shall receive the Base Salary through the Date of Termination (as hereafter defined), as well as (i) reimbursement for approved but unpaid business expenses through the Date of Termination, (ii) any fully earned and declared (by the board of directors of the Company) Annual Target Bonus as of the Date of Termination which was not paid yet, and (iii) any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination. The Employee (and, in the event of the Employee's death, the Employee's estate) shall not be entitled to any other amounts or benefits from the Company or otherwise upon any such termination, notwithstanding anything to the contrary contained in the Agreement or otherwise. For purposes of the Agreement, "***Disability***" shall mean the inability of the Employee to perform the Employee's duties on account of a physical or mental illness for a period of sixty (60) consecutive days, or for ninety (90) days in any six (6) month period. Notwithstanding anything to the contrary contained in the Agreement or otherwise, during any period of Disability, the Company shall not be obligated to pay any compensation, benefits or other amounts to the Employee, except as mandated by applicable law.

(b) Cause. The Company may terminate the Employee's Employment for Cause at any time upon written notice to Employee.

(i) For purposes of the Agreement, the Company shall have "***Cause***" to terminate the Employee's Employment hereunder pursuant to Employee's:

(1) any material breach of this Agreement or of any other written agreement between Employee and the Company, if such breach causes material harm to the Company or to any of its affiliates or reasonably threatens to cause such harm;

(2) any material failure to comply with the Company's written policies or rules, as they may be in effect from time to time during the Employment, if such failure causes material harm to the Company or to any of its affiliates and to the extent it is deemed curable by the Employee, is not cured within 10 days after written notice thereof is given to the Employee by the Company;

(3) any commission, conviction of, or a plea of "guilty" or "no contest" to, a felony under the laws of the United States or any State;

(4) any willful, intentional or grossly negligent act having the effect of materially injuring (whether financially or otherwise) the business or reputation of the Company or of any of its affiliates, which to the extent it is deemed curable by the Employee, is not cured within 10 days after written notice thereof is given to the Employee by the Company; or

(5) any willful misconduct with respect to any of Employee's material duties or obligations under the Agreement or applicable law or regulation, which, to the extent it is deemed curable is not cured within 10 days after written notice thereof is given to the Employee by the Company.

(ii) A purported termination of Employee's employment for Cause shall not be effective unless the Company provides written notice to Employee of the facts alleged by the Company to constitute Cause and such notice is delivered to Employee no more than 90 days after the Company has actual knowledge of such facts.

(iii) In the event that the Company terminates the Employee's Employment for Cause, the Employee shall receive the Base Salary through the Date of Termination, and any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination, as well as reimbursement for approved but unpaid business expenses through the Date of Termination. The Employee shall not be entitled to any compensation, benefits or other amounts from the Company or otherwise upon such termination, notwithstanding anything to the contrary contained in the Agreement or otherwise.

(c) Termination without Cause/Resignation. The Employee's Employment may be terminated at any time by the Company or by the Employee upon the Employee's resignation. In the event of the termination of the Employee's Employment by the Company for any reason (other than a termination for Cause), or the Employee's resignation for any reason, it is agreed that the terminating Party shall give the other Party three (3) month's notice of such termination in accordance with Section 1(d) below; provided, however, that in the event of termination of the Employee's Employment by the Company for any reason (other than a termination for Cause), or the Employee's resignation for any reason, that occurs upon, or during the twelve (12)-month period following, a Change in Control (as defined below), it is agreed that the terminating Party shall give the other Party six (6) month's notice of such termination in accordance with Section 1(d) below. In the event of the Company's termination of Employee's Employment for any reason (other than a termination for Cause) or Employee's resignation for any reason: (i) the Employee shall receive the Base Salary through the Date of Termination, reimbursement for approved but unpaid business expenses through the Date of Termination, fully earned and declared (by the board of directors of the Company) Annual Target Bonus as of the Date of Termination which was not paid yet, any other amount and/or entitlement owed to the Employee pursuant to applicable law upon such termination, and, if applicable, the separation benefits described in Section 1(g) below, and (ii) the Company shall have the right to determine whether or not the Employee will actively work during the notice period.

(d) Notice of Termination. Any termination of the Employee's Employment by the Company or by the Employee (other than termination upon the death of the Employee) shall be communicated by written Notice of Termination by such Party to the other Party in accordance with the notice provisions of the Agreement. Such Notice of Termination shall specify the last day of the Employee's Employment with the Company.

(e) Date of Termination. "***Date of Termination***" shall mean: (i) if the Employee's Employment is terminated by the Employee's death, the date of the Employee's death, or (ii) if the Employee's Employment is terminated pursuant to any of the other terms set forth herein, the date specified in the Notice of Termination.

(f) Transition. Regardless of the circumstances surrounding the Employee's termination of Employment, the Employee hereby agrees that upon the Employee's termination of Employment, the Employee will return to the Company all Company property and will make reasonable efforts to facilitate the orderly transition of the Employee's duties and responsibilities. Any such transition assistance following Employee's last day of employment with the Company, shall be at no out-of-pocket cost or expense to the Employee and shall be subject to Employee's commitments to any new employer.

(g) Separation Benefits.

(i) Non-Compete Payments after Termination not in connection with a Change of Control. In the event of the Company's termination of Employee's Employment not for Cause, or the Employee's resignation from Employment for Good Reason (as defined below), then in consideration for Employee's compliance with and performing of the obligations set forth in Section 1(h) below ('*Unfair Competition and Non-Solicitation*') during the noncompetition period as set forth in Section 1(h)(i) below, the Company shall pay Employee, in a single lump-sum payment within 30 days after the Date of Termination an amount equal to 65% of the Base Salary, less applicable deductions and withholdings and less any severance pay-related amounts (if any) then paid, payable or accrued and released to or for the benefit of the Employee (whether pursuant to applicable law, any agreement, or otherwise) as a result of or in connection with such termination. The receipt of any payments herein is subject to Employee signing and not revoking a Release (as defined below) within the minimum time period required by applicable law, as specified by the Release.

(ii) For purposes of the Agreement, "***Good Reason***" means the occurrence of any of the following events without the Employee's consent; provided, that any resignation by the Employee due to any of the following conditions will only be deemed as made for Good Reason if: (i) the Employee gives the Company written notice of the circumstances alleged by Employee to constitute Good Reason and of the intent to terminate Employment for Good Reason, which notice will be delivered within 30 days following the first occurrence of the condition(s) that the Employee believes constitutes Good Reason and will describe such condition(s); (ii) the Company fails to remedy, if remediable, such condition(s) within 30 days following receipt of the Employee's aforesaid written notice (the "***Cure Period***"); (iii) the Employee has cooperated in good faith with Company's efforts to remedy such condition(s); and (iv) the Employee actually resigns from his/her Employment within the first 15 days after expiration of the Cure Period: (a) a material reduction by the Company of Employee's Base Salary or annual bonus target (if any) as in effect immediately prior to the reduction, provided that a compensation plan change that affects similarly all employees at similar levels will not constitute Good Reason; (b) a material reduction in the Employee's authority, duties or responsibilities, provided that a reduction that takes place within twelve (12) months following a Change in Control, or a change in job title or reporting relationship without a reduction in Employee's base salary or annual bonus target, will not constitute Good Reason; or (c) relocation of the offices at which the Employee is required to work to a location outside 50 miles from Employee's home. Employee's death or Disability will not constitute a without Cause termination or Good Reason resignation under the Agreement.

(iii) For purposes of the Agreement, a "***Change in Control***" shall mean a Merger/Sale as defined under the Company's 2017 Share Incentive Plan, as amended.

(iv) Non-Compete Payments after and Acceleration upon Termination in connection with a Change of Control. In the event of a Change in Control, if the Employee's Employment is terminated by the Company not for Cause or the Employee resigns from Employment for Good Reason, in either case, within twelve (12) months following the consummation of such a Change in Control, then (a) in consideration for Employee's compliance with and performing of the obligations set forth in Section 1(h) below ('Unfair Competition and Non-Solicitation') during the noncompetition period as set forth in Section 1(h)(i) below, the Company shall pay Employee, in a single lump-sum payment within 30 days after the Date of Termination an amount equal to 100% of the Base Salary, less applicable deductions and withholdings and less any severance pay-related amounts (if any) then paid, payable or accrued and released to or for the benefit of the Employee (whether pursuant to applicable law, any agreement, or otherwise) as a result of or in connection with such termination, and (b) any Options and other equity awards of the Company that have been granted to the Employee prior to the Change of Control and are outstanding as of the Date of Termination shall fully vest and become exercisable on such date in accordance with the terms of the applicable Plans. The receipt of any payments or accelerated vesting herein is subject to Employee signing and not revoking a Release (as defined below) within the minimum time period required by applicable law, as specified by the Release.

(v) Conditions Precedent. Any severance payments, benefits, or acceleration contemplated by this Section 1(g) are conditional on Employee: (i) continuing to comply with the terms of the Agreement and the Undertaking; and (ii) signing and not revoking a separation agreement and release of known and unknown claims in the form provided by the Company (including non-disparagement, cooperation with the Company and no cooperation with third parties provisions) (the "***Release***") and provided that such Release becomes effective and irrevocable within the minimum time period required by applicable law, as specified by the Release (such deadline, the "***Release Deadline***"). If the Release does not become effective by the Release Deadline, Employee will forfeit any rights to payments, benefits, or acceleration under this Section 1(g) or elsewhere in the Agreement. Any severance payments under the Agreement that would not be considered deferred compensation subject to Section 409A will be paid on the first payroll date that occurs on or after the date the Release becomes effective.

(vi) Section 409A. The payments and benefits under the Agreement are intended to qualify for an exemption from application of Section 409A of the Code ("***Section 409A***") or comply with its requirements to the extent necessary to avoid adverse personal tax consequences under Section 409A, and any ambiguities herein will be interpreted accordingly. To the extent that any payment or benefit described in the Agreement constitutes "non-qualified deferred compensation" under Section 409A, and to the extent that such payment or benefit is payable upon the termination of the Employment, then such payments or benefits will be payable only upon Employee's "separation from service." The determination of whether and when a separation from service has occurred will be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h). Notwithstanding anything in the Agreement to the contrary, if at the time of Employee's separation from service, the Company determines that Employee is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that Employee become entitled to under the Agreement on account of Employee's separation from service would be considered deferred compensation subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment will not be payable and such benefit will not be provided until the date that is the earlier of (A) six months and one day after Employee's separation from service, (B) Employee's death, or (C) such earlier date as permitted under Section 409A without imposition of adverse taxation. The Company makes no representation or warranty and will have no liability to the Employee or any other person if any provisions of the Agreement are determined to constitute deferred compensation subject to Section 409A but do not satisfy an exemption from, or the conditions of, Section 409A.

(vii) Modified Economic Cutback Following a Sale Event. If any payment or benefit that the Employee would receive from the Company or otherwise in connection with a Change in Control or other similar transaction (a "***280G Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then any such 280G Payment (a "***Payment***") will be equal to the Reduced Amount. The "***Reduced Amount***" will be either (x) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount (i.e., the amount determined by clause (x) or by clause (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Employee's receipt, on an after-tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount is determined pursuant to clause (x) of the preceding sentence, the reduction will occur in the manner (the "***Reduction Method***") that results in the greatest economic benefit for the Employee. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata (the "***Pro Rata Reduction Method***").

Notwithstanding the foregoing, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A of the Code that would not otherwise be subject to taxes pursuant to Section 409A of the Code, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, will be modified so as to avoid the imposition of taxes pursuant to Section 409A of the Code as follows: (A) as a first priority, the modification will preserve to the greatest extent possible, the greatest economic benefit for the Employee as determined on an after-tax basis; (B) as a second priority, Payments that are contingent on future events (e.g., being terminated without Cause), will be reduced (or eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A of the Code will be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A of the Code.

Unless the Employee and the Company agree on an alternative accounting firm, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the change of control transaction triggering the Payment will perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the change of control transaction, the Company will appoint a nationally recognized accounting firm to make the determinations required hereunder. The Company will bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The Company will use commercially reasonable efforts to cause the accounting firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to the Employee and the Company within 15 calendar days after the date on which the Employee's right to a 280G Payment becomes reasonably likely to occur (if requested at that time by the Employee or the Company) or such other time as requested by the Employee or the Company.

If the Employee receives a Payment for which the Reduced Amount was determined pursuant to clause (x) of the first paragraph of this Section and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, the Employee will promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) of the first paragraph of this Section so that no portion of the remaining Payment is subject to the Excise Tax. For the avoidance of doubt, if the Reduced Amount was determined pursuant to clause (y) in the first paragraph of this Section, the Employee will have no obligation to return any portion of the Payment pursuant to the preceding sentence.

(h) Unfair Competition and Non-Solicitation.

The Employee, acknowledging that he/she provides services that are of particular and special value to the Company and its direct or indirect parent, subsidiary and affiliated companies, and its and their respective successors and assigns (in this Section 1(h), collectively – the "***Company***"), and that it is critical for the Company to preserve and protect its Confidential Information, and its rights in Inventions and in all related intellectual property rights, hereby undertakes and warrants towards the Company as follows:

(i) Employee undertakes that during the term of engagement with the Company and the Tail Period (as defined below), regardless of the reason for Employee's separation from Company, Employee shall not, directly or on behalf of any other third party: (i) engage in or establish or otherwise become involved in, either as an employee, owner, partner, agent, shareholder, director, consultant or otherwise, any business, occupation, work or any other activity involving stem cell therapies and/or NK cells, in each case relating to the treatment of cancer; (ii) solicit, hire or retain as an employee, consultant or otherwise, any employee of the Company or induce or attempt to induce any such employee to terminate or reduce the scope of such employee's employment with the Company; and (iii) solicit or induce, or attempt to solicit or induce, any employee, consultant, service provider, business partner, agent, distributor, supplier or customer of the Company, or any third party with respect to which the Company took substantial steps to engage as an employee or as any of the foregoing capacities during the period of Employee's engagement with the Company, to terminate, reduce or modify the scope of its or their engagement with the Company or work for, in any capacity, a competitor of the Company. It is understood that the restrictions set forth in Section 1(h)(i) above shall apply only to those geographical areas in which the Company actively conducts, or takes meaningful steps to actively conduct its business during the period of Employee's employment at the Company. Employee hereby represents and confirms that the restrictions set forth in this paragraph are not unduly burdensome, financially or otherwise, for the Employee. For purposes of this Section 1(h), the "***Tail Period***" means (i) in the event Employee's separation from the Company arises from a termination by the Company not for Cause or a resignation by the Employee for Good Reason, a period of twelve (12) months from the Termination Date, provided that the payments pursuant to Section 1(g) above shall have been duly paid to the Employee, and (ii) in the event Employee's separation from the Company arises from any other reason, a period of six (6) months from the Termination Date.

(ii) Employee acknowledges that in light of Employee's positions at the Company and in view of Employee's exposure to, and involvement in, the Company's sensitive and valuable proprietary information, intellectual property and technologies, Confidential Information and Confidential Materials (the "***Company's Material Assets***"), the provisions of this Section 1(h) are reasonable and necessary to legitimately protect the Company's Material Assets, and are being undertaken by Employee as a condition to the engagement of Employee by the Company. Employee confirms that Employee has carefully reviewed the provisions of this Section 1(h), fully understands the consequences thereof and has assessed the respective advantages and disadvantages to Employee of entering into this Amendment and, specifically, Section 1(h) hereof. Employee understands that, Employee has the right to consult with counsel prior to signing this Amendment. Employee hereby confirms that Employee has had ample time to exercise such right. Notwithstanding anything to the contrary contained in the Agreement or otherwise, the Employee declares that he/she is financially capable of undertaking these non-compete and non-solicitation provisions.

(iii) Employee acknowledges and agrees that the enforcement of the covenants in this Section 1(h), and otherwise in the Agreement, is not contingent upon the payment of any additional cash consideration or the grant of any benefit, and that any payments (if any) made to Employee by the Company during the post-termination period set forth in Section 1(h)(i) above (such as non-compete payments, on certain circumstances) shall not limit or otherwise affect the enforceability of the covenants for the entire applicable period set forth above, and that good and valid consideration exists for the covenants herein apart from any cash consideration, and that such covenants are separately justified, appropriate and based on legitimate business reasons, regardless of the circumstances surrounding Employee's separation from the Company. Employee understands and agrees that the provisions of Section 1(g) above and this Section 1(h) shall not apply if Employee's employment with the Company is based in the State of California.

The provisions of this Section 1 amend, supersede, replace and terminate in its or their entirety any and all provisions of the Original Agreement that govern or pertain to, or otherwise set forth any terms or conditions relating to, any termination of Employment or any severance or other payments, or vesting acceleration or other benefits, to which Employee may be eligible (if at all) upon, after or in connection with any such termination.

2. Employee Representations.

(a) The Employee hereby acknowledges that the Employee's undertakings under Section 1(h) constitutes a precondition of the Employment. The Employee further affirms that the Agreement, including all exhibits, schedules and appendices thereto constitute the entire understanding of the Parties with respect to the subject matter hereof or otherwise to the Employee's employment with the Company, and supersede any understanding, agreement, promises, negotiations, proposals, discussions, understandings and arrangements whether oral or written between the Company and the Employee.

(b) The Employee acknowledges that the Employee has been advised to obtain independent counsel to evaluate the terms, conditions and covenants set forth in this Amendment, and the Employee has been afforded ample opportunity to obtain such independent advice and evaluation. The Employee warrants to the Company that the Employee has relied upon such independent counsel and not upon any representation (legal or otherwise), statement or advice said or offered by the Company or the Company's counsel in connection with this Agreement.

3. No Retention Rights. Nothing in the Agreement or otherwise shall confer upon Employee the right to continue in the employ of, or be in the service of the Company or any Subsidiary or other affiliate thereof as a service provider or to be entitled to any remuneration or benefits not set forth in the Agreement, or to interfere with or limit in any way the right of the Company or any such Subsidiary or other affiliate thereof to terminate Employee's employment or service (including, any right of the Company or any of its affiliates to immediately cease the Employee's employment or service or to shorten all or part of the notice period, regardless of whether notice of termination was given by the Company or its affiliate or by the Employee). Employee shall not be entitled to claim and Employee hereby waives any claim against the Company or any Subsidiary or other affiliate thereof, that Employee was prevented from continuing to accrue any rights pursuant to the Agreement as of and through the date of termination of employment with, or services to, the Company or any Subsidiary or other affiliate thereof. Employee shall be entitled to any compensation which would have accrued had Employee's employment or engagement with the Company (or any Subsidiary or other affiliate thereof) not been terminated.

4. Choice of Law. All questions concerning the construction, validity and interpretation of the Agreement will be governed by the laws of the state or commonwealth in which Employee primarily works for the Company, without regard to any conflict of laws principles that would require the application of the laws of a different jurisdiction. Employee expressly consents to the personal jurisdiction and venue of the state and federal courts located in the state or district in which Employee primarily works for Company and the state or district in which Company's headquarters is located for any lawsuit filed there against Employee by Company arising from or related to the Agreement (although Company will not file a lawsuit in the state or district in which Company's headquarters is located if prohibited by applicable law). Employee will not change the state or district where Employee is primarily working for the Company without providing prior written notice to the Company of such change (other than in the case of any such change requested or required of Employee by the Company).

The provisions of this Section 4 amend, supersede, replace and terminate in its or their entirety any and all provisions of the Original Agreement that govern or pertain to, or otherwise set forth, the law that governs the Agreement or any aspect thereof (such as the validity, interpretation, construction or performance thereof) or the jurisdiction or venue for the filing of any lawsuit arising from or related to the Agreement.

5. No Further Amendments. Except as expressly amended herein, the Original Agreement shall remain in full force and effect.

6. Remedies of the Company. Upon any termination of the Employment for Cause, the reasons for which may cause irreparable harm to the Company, the Company shall be entitled to institute and prosecute proceedings to obtain injunctive relief and damages, costs and expenses, including, without limitation, reasonable attorneys' fees and expenses.

7. Enforceability of the Agreement.

(a) The invalidity or unenforceability of any provision of the Agreement shall not affect the validity or enforceability of any other provision hereunder. If a court of competent jurisdiction determines that any portion of the Agreement is in violation of any statute or public policy only the portions of the Agreement that violate such statute or public policy shall be stricken, and all other portions of the Agreement that do not violate any statute or public policy shall continue in full force and effect. Further, if any one or more of the provisions contained in the Agreement is determined by a court of competent jurisdiction in any State to be excessively broad as to duration, scope, activity or subject, or is unreasonable or unenforceable under the laws of such State, such provisions will be construed by limiting, reducing, modifying or amending them so as to be enforceable to the maximum extent permitted by the law of that State. If the Agreement is held unenforceable in any jurisdiction, such holding will not impair the enforceability of the Agreement in any other jurisdiction.

(b) No waiver by either Party hereto at any time or any breach by the other Party hereto of, or compliance with, any condition or provision of the Agreement to be performed by such other Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

8. Counterparts. This Amendment may be executed in one or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered to the other parties hereto; it being understood that all parties hereto need not sign the same counterpart. Counterparts may also be delivered by facsimile or email transmission (in pdf format or the like, or signed with docusign, e-sign or any similar form of signature by electronic means) and any counterpart so delivered shall be sufficient to bind the parties to this Amendment or any other agreements contemplated hereby, as an original.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Amendment to Employment Agreement as of the date first written above.

GAMIDA CELL, INC.

By: */s/ Julian Adams*
Name: Julian Adams, Ph.D.
Title: Chief Executive Officer

/s/ Ronit Simantov
Ronit Simantov

Exhibit 10.24

SECOND AMENDED & RESTATED CONSULTING AGREEMENT

THIS SECOND AMENDED & RESTATED CONSULTING AGREEMENT (the "***Agreement***") is entered into as of December 31, 2023 (the "***Effective Date***") by and between **Gamida Cell Ltd.**, whose address is at 5 Nahum Heftsadie St., Jerusalem, Israel 9548401 (the "***Company***"), and **Terry Coelho**, an individual (the "***Consultant***").

WHEREAS, Company is in the business of research, development, and commercialization of advanced cell therapies and has a legitimate business need and interest to engage consultants for certain consulting services;

WHERES, the Company previously engaged Consultant to provide services in the capacity of Chief Financial Officer, including certain financial and accounting advisory services under that certain Amended and Restated Consulting Agreement dated May 22, 2023 (the "***A&R Consulting Agreement***");

WHEREAS, the Company and Consultant now desire to further amend and restate the A&R Consulting Agreement as set forth in this Agreement effective as of the Effective Date; and

NOW THEREFORE, the parties hereto agree as follows:

1. The Services

1.1 The Company hereby engages the Consultant as of the Effective Date as an independent consultant and the Consultant hereby agrees to serve as a consultant to the Company and provide the consulting services specified in Schedule 1.1 attached hereto (the "***Services***"), as may be amended from time to time upon the mutual agreement of the parties.

1.2 In so far as permitted by Applicable Laws and professional rules and guidance, the Consultant shall cooperate with such employees, consultants and contractors of the Company as determined by the Company from time to time; the person within the Company who shall be in charge of the engagement of the Consultant shall be the Chief Executive Officer or such other person as determined by the Company from time to time. Where the nature of the Services so require, the Company may require from Consultant reports or other types of ongoing information concerning the Services as determined from time to time, whether or not set forth herein.

1.3 Consultant agrees that, during the term of this Agreement, Consultant shall provide Services based on her experience with the matters in relation to which the Services have been agreed between the Parties. Consultant agrees to devote her best efforts to performing the Services promptly and diligently in accordance with this Agreement, Schedule 1.1, and Applicable Laws.

1.4 The Consultant agrees to perform her duties described herein in a faithful, diligent and professional manner.

1.5 Where the nature of the Services so require, the Consultant shall be responsible for maintaining, at the Consultant's own expense, a place of work, any necessary equipment and supplies, and appropriate communications facilities.

1.6 Nothing in this Agreement shall be interpreted as preventing or restricting the Company in obtaining or seeking from any other person services of the same nature as the Services. Nothing in this Agreement shall be interpreted as preventing or restricting Consultant from supplying services to any third party, as long as such services to third parties (i) do not conflict with any obligation or undertaking of the Consultant hereunder, and (ii) do not interfere with the performance of or restrict the ability of the Consultant to perform the Services hereunder. However, Consultant has not and will not, during the term of this Agreement, enter into any agreement that would substantially affect Consultant's ability to provide the Services. Consultant represents that the performance of the Services will not breach any agreement or obligation with any third party, including any obligation to refrain from engaging in activities that may compete with such third party.

1.7 Consultant represents and warrants that Consultant is permitted to enter into this Agreement pursuant to the Applicable Laws and professional rules and guidelines and any policies concerning conflict of interest, competing activities, professional consulting and additional workload. Consultant agrees not to make any use of any funds, space, personnel, facilities, equipment or other resources of a third party in performing the Services, nor take any other action that would result in a third party asserting ownership of, or other rights in, any Records or Inventions related to the Services.

2. Records; Company's Right to Audit.

2.1 Consultant will maintain complete and accurate records, accounts, reports and data pertaining to the Services in accordance with the Applicable Laws and professional rules and guidelines. During the term of this Agreement and for any longer period specified by the Applicable Laws, Consultant will maintain all materials, information, databases and records, accounts, reports, and data obtained or generated by Consultant in the course of providing the Services (collectively, the "***Records***"), including all computerized records and files, in a non-public and secure area, in accordance with Applicable Laws. Company may at any time have access to any and all records for the Services (and will be permitted to make copies thereof). At Company's request, Consultant will cooperate with any regulatory authorities and allow them access to applicable Records and data. Consultant will promptly inform Company of any request or effort by any regulatory authority to review Records and data, or to contact, visit, or inspect Consultant's Records and data, relating to the Services, and will notify Company immediately (and in no event later than within one calendar day) if any regulatory authority issues or gives to Consultant any notice of intent to inspect, notice of inspection, notice of inspectional observations, warning letter, or other written communication concerning the Services, and Consultant immediately (and in no event later than within one calendar day) will provide Company copies thereof. Where reasonable and practical, Company will have the opportunity to be present at such an inspection, at its own cost. Company will have the opportunity to review, revise, and/or approve of any response prior to submission of a response by Consultant to any regulatory authority submitted by Consultant during the course of the inspection. For the avoidance of doubt, Consultant shall not provide any regulatory authority with any documentation or provide regulatory authorities with any undertakings without the prior specific written approval of Company. Consultant shall immediately, and no later than 24 hours after the submission of such documents to the authority, provide Company with copies of all documents provided to any regulatory authority.

2.2 Consultant may not publish or refer to Records, in whole or in part, without the prior express written consent of Company.

3. Confidential Information

3.1 All information provided by Company or on Company's behalf, all data and information collected or generated by Consultant for or on behalf of Company in the performance of the Services and all Records and Inventions, are deemed to be the confidential information of Company ("***Confidential Information***") and will remain the sole and exclusive property of Company. Consultant will not disclose Confidential Information to any third party or use Confidential Information for any purpose other than for the performance of the Services, without the prior written consent of Company. Consultant will exercise due care, but no less than a reasonable degree of care, to prevent the unauthorized disclosure and use of Confidential Information. Confidential Information will not include information that (a) was known by Consultant before disclosure by Company in connection with the Services or this Agreement, with no restriction, (b) is independently discovered by Consultant, after the Effective Date, without use of or access to the Confidential Information, as evidenced by written records, (c) is in the public domain on the Effective Date or subsequently becomes publicly available through no fault or action of Consultant, or (d) is disclosed to Consultant by a third party not known by Consultant to be under any obligation prohibiting the disclosure of such information. If Consultant is required to disclose any Confidential Information or the substance of this Agreement in connection with a legal or administrative proceeding or otherwise to comply with a requirement imposed by the Applicable Laws and Regulations, Consultant will give Company, to the extent legally permissible, prompt notice (prior to disclosure, if possible) of such request so that Company may seek an appropriate protective order or other remedy, or waive compliance with the relevant provisions of this Agreement. If Company seeks a protective order or other remedy, Consultant will, at Company's expense, reasonably cooperate with and assist Company in such efforts. In any case, Consultant will only disclose that portion of Confidential Information that Consultant is advised by its counsel is required to be disclosed.

4. Term and Termination

4.1 This Agreement shall commence upon the Effective Date and shall continue in effect through March 31, 2024, at which time this Agreement will automatically expire.

4.2 This Agreement may be earlier terminated by either party (i) without cause at any time by giving the other Party 30 days' advance written notice, or (ii) for cause upon ten days' prior written notice to the other party specifying the reason for termination; *provided that* the breaching party will have the opportunity to cure the breach to the satisfaction of the non-breaching party during the ten-day notice period.

4.3 Nothing herein shall derogate from the Company's rights with respect to such termination for cause, including the right for set off damages from the Consultant's Consulting Fees (as defined in Section 5.1 below).

4.4 In the event of termination by the Company other than for cause, the Consultant shall be entitled to Consulting Fees only to the extent that she provides the Company with Services during the notice period.

5. Time Commitment; Consideration

5.1 Consultant will provide at least 40 hours of Services per week; *provided, however*, that Consultant will not perform more than 60 hours of Services in any given week without the prior express authorization of the Company's Chief Executive Officer. In consideration for Consultant's performance of the Services under this Agreement, the Company shall pay the Consultant a consulting fee of $500.00 per hour (the "***Consulting Fee***"). It is acknowledged and agreed that if Consultant and the Company mutually agree to substantially modify the scope of the Services set forth on Schedule 1.1, then the parties will negotiate in good faith and update the applicable consulting fee hourly rate to reflect such modified scope in Services. Consultant will invoice Company on a monthly basis for all Consulting Fees due for Consultant's performance of the Services performed in the prior calendar month. Consultant will include the Consulting Fees and a detailed description of the Services provided on each invoice and will send invoices to the following e-mail address: ap@gamida-cell.com. All undisputed payments will be made within 30 days from Company's receipt of Consultant's invoice. The Parties will work together in good faith to promptly resolve any disputes related to invoices. All payments will be made exclusively to the bank account of Consultant. No payment shall be made to a bank account of a third party. Consultant understands and agrees that, if all or part of the Services are not actually and effectively performed, Company has the right to withhold payment, in whole or in part, of the Consulting Fees related to the Services. Consultant shall comply with all Applicable Laws relating to anti-bribery and anti-corruption. It is expressly understood that nothing in this Agreement and no part of the Consulting Fees paid hereunder is intended (i) to be, nor should it be construed as, an obligation or inducement for Consultant, Consultant's employer or the any other person, either expressed or implied, to recommend, endorse, purchase, order, prescribe, promote, administer or otherwise support any particular medicinal or healthcare product or service, or (ii) to compromise Consultant's personal independent judgment or integrity.

5.2 The Consulting Fees are inclusive of any and all taxes, and the Consultant shall bear full responsibility for all tax obligations of any kind or nature relating, directly or indirectly, to the Consulting Fees and otherwise to the Services hereunder. To the extent that any such taxes may be imposed upon the Company, the Company may deduct such amounts from any payments due to the Consultant. The Company shall be entitled to withhold and deduct from payments hereunder any and all amounts as may be required from time to time under any applicable law. VAT shall be charged as required by law.

5.3 The Company shall reimburse the Consultant for any reasonable out of pocket business expenses actually incurred in connection with the Services rendered hereunder, *provided, however*, that the Company approves such expenses in advance. For the purpose of such reimbursement, the Consultant shall be required to maintain records of such expenses, including original invoices, and invoice the Company on a monthly basis.

5.4 In addition, in consideration for Consultant's performance of the Services, the Consultant and the Company acknowledge that, pursuant to the A&R Consulting Agreement, the Consultant was granted options to purchase 10,000 ordinary shares of the Company (the "***Options***"), pursuant to the terms of the Company's Share Incentive Plan and applicable grant agreement, as approved and adopted by the Company Board (the applicable agreement and plan, collectively, the "***Plan***"), which Options shall vest upon the earlier to occur of (i) the date of the closing of a Merger/Sale (as such term is defined under the Company's 2017 Share Incentive Plan (as amended)), or (ii) May 22, 2024, *so long as* (x) the Consultant has not provided the Company with notice of termination of this Agreement without cause, or (y) the Company has not provided notice of termination to Consultant for Consultant's breach (and Consultant has failed to cure such breach (if curable) in accordance with Section 4.2), in each case prior to either such applicable vesting date. All matters related to such Options, including but not limited to the exercise price and the required execution of any governing agreement and/or other documentation, shall be subject to the sole discretion of the Company Board. It is understood that nothing herein is intended to constitute a grant of, or right to, any share capital of the Company, and it is hereby confirmed that the Consultant shall be solely responsible for any tax liability incurred in connection with the Options, including but not limited to with respect to the grant, exercise, and/or sale of such Options.

If the Board of Directors of the Company approves a transaction bonus pool program to be used by the Chief Executive Officer (in her sole discretion) to reward certain employees and other personnel for their work related to the consummation of a Merger/Sale (as such term is defined under the Company's 2017 Share Incentive Plan (as amended), then the Company will consider, in the Chief Executive Officer's sole discretion, including Consultant as a recipient in such transaction bonus pool program.

As additional consideration for Consultant's performance of the Services, subject to the terms of this Agreement, the Consultant will be eligible to earn a retention bonus of $100,000 (the "***Retention Bonus***"). The Consultant will earn the Retention Bonus only if the Consultant remains continuously engaged as a Consultant under this Agreement through March 31, 2024 (such date, the "***Bonus Vesting Date***"). If, prior to the Bonus Vesting Date, either (A) the Consultant provides the Company with notice of termination of this Agreement without cause, or (B) the Company provides notice of termination to Consultant for Consultant's breach (and Consultant has failed to cure such breach (if curable) in accordance with Section 4.2), then in either such case the Consultant shall not have earned, and the Company shall have no obligation to pay to the Consultant, the Retention Bonus.

5.5 Other than the consideration specified in this Section 5, which consideration constitutes full consideration for the Services rendered hereunder, the Consultant will not be entitled to any other consideration for rendering the Services hereunder.

6. Fees and related transparency obligations.

6.1 Consultant acknowledges and agrees that Company may disclose transfers of value made to Consultant pursuant to this Agreement, including, without limitation, fees and expenses paid by Company for the Services performed by Consultant in accordance with this Agreement, to the extent Company determines, in its sole discretion, that the disclosure thereof is required by the Applicable Laws or by Company's policy.

6.2 Consultant agrees that Company may post or report to any competent authorities all fees and other expenses paid to Consultant under this Agreement without prior notice. Consultant further agrees to provide, at Company's reasonable request, any and all information necessary for Company to make a required posting or reporting. Consultant agrees and covenants to notify Company immediately in the event that Consultant becomes aware that any such reporting by Company is incomplete or inaccurate.

6.3 Consultant agrees that whenever Consultant writes or speaks in public about a matter which relates to the Services, or serves on a committee or governing board that assists in or makes decisions concerning medicinal products, including decisions about reimbursement, or reimbursement levels, Consultant shall disclose the existence and nature of the Consultant's relationship with Company, and, as applicable, follow the procedures set forth by any such committees or governing body in response to such disclosure, which may include recusing the Consultant from discussions or decisions related to Company's products.

7. Confidentiality, Non-Solicitation and Invention Assignment Undertaking Simultaneously with the execution of this Agreement, and a condition hereto, the Consultant hereby signs the Undertaking attached hereto as Schedule 7.

8. Relationship of Parties

8.1 The Parties hereto hereby declare and approve, that the Consultant shall act as an independent contractor, and that nothing in this Agreement shall be interpreted or construed as creating or establishing any partnership, joint venture, employment relationship, franchise or agency or any other similar relationship between the Company or its Affiliates and Consultant or any of her agents and employees, and it is specifically clarified that with respect to the Services, no employer-employee relationship will be formed between the Company or its Affiliates and the Consultant or any of her agents and employees, that the Consultant is not entitled to any social or other benefits resulting from any employer-employee relationship and that the present Agreement shall not obligate the Company or any of its Affiliates by contract or otherwise without the Company's prior written authorization. Consultant shall not make any representations or warranties to anyone without the Company's prior written authorization.

8.2 The Consultant hereby acknowledges that the Company is relying upon the truthfulness and accuracy of the representations set forth in Section 8.1 in engaging the Consultant.

8.3 (a) The Consultant will defend, indemnify and hold the Company, or any third party on its behalf, harmless from and against all claims, damages, losses and expenses, including reasonable fees and expenses of attorneys and other professionals (i) relating to any obligation imposed upon the Company to pay any withholding taxes, social security, unemployment or disability insurance or similar terms in connection with compensation received by Consultant, or which are based upon a stipulation by a competent judicial authority that an employer - employee relationship was created between the Company or its Affiliates and Consultant and/or her agents and employees; and (ii) resulting from any act, omission or negligence on Consultant's or any of her employees' part in the performance or failure to perform the Services under this Agreement.

(b) The Company will indemnify the Consultant in accordance with the Company's standard form of indemnity agreement (the "***Indemnity Agreement***"), which the parties acknowledge was executed pursuant to the A&R Consulting Agreement.

8.4 Intentionally omitted.

8.5 The Consultant shall be responsible to pay any and all payments, salary, taxes and all other benefits and any amounts due to any relevant social security or similar authority with respect to herself and/or the Services provided by her pursuant to this Agreement.

8.6 The Company will be entitled to deduct from and set off against amounts due to the Consultant pursuant to this Agreement and/or pursuant to any other agreement, law, or otherwise, any amounts, which the Company is required to pay the Consultant pursuant to this Agreement, any other agreement, any law, or otherwise.

9. Warranties

Consultant represents and warrants that:

9.1 The Consultant has not been excluded, suspended, or debarred, from participation in any U.S. federal health care program or human clinical research or any equivalent program or research in the United Kingdom, the EU or individual EU Member States or, to her knowledge, is subject to a governmental inquiry, investigation, proceeding, or other similar action that could reasonably be expected to result in Consultant's debarment, suspension, or exclusion.

9.2 Consultant shall not use or exploit, during or in connection with the engagement hereunder any proprietary or confidential information, including any intellectual property, inventions, trade secrets or know how, of any other person or entity, including any previous employer, without due and timely written permission to do so.

10. Miscellaneous

10.1 In this Agreement the term "***Affiliate***" shall mean, any person or entity that directly or indirectly controls, is controlled by, or is under common control with, a party to this Agreement. For purposes hereof, the term "***control***" means the power to direct the management or affairs of a person or entity through the ownership of voting securities, by contract, or otherwise.

10.2 Consultant will perform the Services in a professional and workmanlike manner in compliance with this Agreement and all applicable international, EU, national, local, regional or provincial laws and regulations (collectively "***Applicable Laws***").

10.3 Neither this Agreement nor any interest herein may be assigned by the Consultant without the prior written consent of the Company. The Company may assign or transfer this Agreement or any of its rights and/or obligations under this Agreement without the Consultant's consent.

10.4 This Agreement (including the Indemnity Agreement) constitutes the entire agreement between the Consultant and the Company with respect to the subject matter hereof and supersedes any other arrangement, understanding or agreement, verbal or otherwise with respect to the subject matter hereof (including the A&R Consulting Agreement). No amendment of or waiver of, or modification of any obligation under this Agreement will be enforceable unless set forth in a writing signed by the parties hereto. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance.

10.5 Law; Jurisdiction. This Agreement shall be governed by the laws of the State of New York, USA (excluding its conflict of law principles) and the competent courts/tribunals of the State of New York, shall have exclusive jurisdiction over any disputes arising hereunder.

10.6 No failure or delay on the part of any party hereto in exercising any right, power or remedy thereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. Any waiver granted thereunder must be in writing and shall be valid only in the specific instance in which given.

10.7 If any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable under applicable law, then such provision shall be excluded from this Agreement and the remainder of this Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms; *provided, however*, that in such event this Agreement shall be interpreted so as to give effect, to the greatest extent consistent with and permitted by applicable law, to the meaning and intention of the excluded provision as determined by such court of competent jurisdiction.

10.8 All notices hereunder will be in writing and shall be given by and be deemed received by the receiving party (i) if sent by a delivery service, on the date confirmed as the actual date of delivery by such service; (ii) if sent by registered air mail, return receipt requested, within seven days of mailing; (iii) if sent by facsimile with electronic confirmation of transmission, on the next business day after transmission, if not transmitted on a business day, or on the day of transmission, if transmitted on a business day; or (iv) if sent by e-mail with an automatic electronic written confirmation of delivery from the sender's server, on the next business day after transmission, if not transmitted on a business day, or on the day of transmission, if transmitted on a business day.

10.9 The provisions of Sections 2.1, 2.2, 3, 4, 6, 7, 8.3, 9 and 10 of this Agreement, including the provisions of Schedule 7, shall continue and remain in full force and effect following the termination or expiration of the relationship between the Company and the Consultant, for whatever reason.

Signature Page Follows

IN WITNESS WHERE OF, the parties have signed this Agreement as of the date hereof.

GAMIDA CELL LTD.

By: /s/ Abigail Jenkins
Abigail Jenkins, President & CEO

TERRY COELHO

By: /s/Terry Coelho

SCHEDULE 1.1

SERVICES

The Consultant's Services shall consist of:

- Serving the Company in the capacity of (i) Chief Financial Officer and (ii) principle financial and accounting officer, with duties and responsibilities that include:
    - Oversight and management of the Company's financial and accounting function;
    - Participation in meetings of the Company's Audit Committee and Board;
    - Review, approval and certification of the Company's financial statements, quarterly reports on Form 10-Q and, if applicable, annual report on Form 10-K; and
    - All other responsibilities which typically fall within the purview of a public company CFO
- Planning for possibility of restructuring and preparing for BD/MA, including:
    - Creation of an independent cash flow analysis
    - Creation of an independent corporate model/business plan
    - Supporting work of Moelis corporate valuation as appropriate during process
    - Attending GMDA meetings, including EC and BoD meetings for topics relevant to BD/MA, finance, restructuring etc.
    - Support / review VDR and interface with Moelis and legal teams throughout the process

      Support financing process
- Finance lead on the cross-functional BD team working with Moelis and main finance interface with legal BD and restructuring partners for those topics
- Reports to CEO

The Consultant shall also be reimbursed for reasonable, justified travel expenses for participating in in- person meetings at such rates as the parties shall mutually agree.

SCHEDULE 7

UNDERTAKING

THIS UNDERTAKING ("***Undertaking***") is entered into as of December 31, 2023 by TERRY COELHO (the "***Consultant***").

WHEREAS: Consultant wishes to be engaged by Gamida Cell Ltd. (the "***Company***"); and

WHEREAS: it is critical for the Company to preserve and protect its Confidential Information (as defined below), its rights in Inventions (as defined below) and in all related intellectual property rights, and Consultant is entering into this Undertaking as a condition to Consultant's engagement with the Company.

NOW, THEREFORE, Consultant undertakes and warrants towards the Company as follows:

References herein to the term "***Company***" shall include any of the Company's direct or indirect parent, subsidiary and affiliated companies, and their respective successors and assigns.

1. Confidentiality.

1.1 Consultant acknowledges that Consultant has had and is expected to have access to information that relates to the Company, its business, assets, financial condition, affairs, activities, plans and projections, customers, suppliers, partners, and other third parties with whom the Company agreed or agrees, from time to time, to hold information of such party in confidence (the "***Confidential Information***"). Confidential Information shall include, without limitation, information, whether or not marked or designated as confidential, concerning technology, products, research and development, patents, copyrights, inventions, trade secrets, test results, formulae, processes, data, know-how, marketing, promotion, business and financial plans, policies, practices, strategies, surveys, analyses and forecasts, financial information, customer lists, agreements, transactions, undertakings and data concerning employees, consultants, officers, directors, and shareholders. Confidential Information includes information in any form or media, whether documentary, written, oral, magnetic, electronically transmitted, through presentation or demonstration or computer generated. Confidential Information shall not include information that has become part of the public domain not as a result of a breach of any obligation owed by Consultant to the Company.

1.2 Consultant acknowledges and understands that the engagement by the Company and the access to Confidential Information creates a relationship of confidence and trust with respect to such Confidential Information.

1.3 During the term of Consultant's engagement and at any time after termination or expiration thereof, for any reason, Consultant shall keep in strict confidence and trust, shall safeguard, and shall not disclose to any person or entity, nor use for the benefit of any party other than the Company, any Confidential Information, other than with the prior express consent of the Company.

1.4 All right, title and interest in and to Confidential Information are and shall remain the sole and exclusive property of the Company or the third party providing such Confidential Information to the Company, as the case may be. Without limitation of the foregoing, Consultant agrees and acknowledges that all memoranda, books, notes, records, email transmissions, charts, formulae, specifications, lists and other documents (contained on any media whatsoever) made, reproduced, compiled, received, held or used by Consultant in connection with the engagement by the Company or that otherwise relates to any Confidential Information (the "***Confidential Materials***"), shall be the Company's sole and exclusive property and shall be deemed to be Confidential Information. All originals, copies, reproductions and summaries of the Confidential Materials shall be delivered by Consultant to the Company upon termination or expiration of Consultant's engagement for any reason, or at any earlier time at the request of the Company, without Consultant retaining any copies thereof.

1.5 During the term of Consultant's engagement with the Company, Consultant shall not remove from the Company's offices or premises any Confidential Materials unless and to the extent necessary in connection with the duties and responsibilities of Consultant and permitted pursuant to the then applicable policies and regulations of the Company. In the event that such Confidential Material is duly removed from the Company's offices or premises, Consultant shall take all actions necessary in order to secure the safekeeping and confidentiality of such Confidential Materials and return the Confidential Materials to their proper files or location as promptly as possible after such use.

1.6 During the term of Consultant's engagement with the Company, Consultant will not improperly use or disclose any proprietary or confidential information or trade secrets, and will not bring onto the premises of the Company any unpublished documents or any property, in each case belonging to any former employer or any other person to whom Consultant has an obligation of confidentiality and/or non-use (including, without limitation, any academic institution or any entity related thereto), unless generally available to the public or consented to in writing by that person.

2. Non- Solicitation.

2.1 Consultant undertakes that during the term of engagement with the Company and for a period of 12 months thereafter: (i) Consultant shall not, directly or indirectly, solicit, hire or retain as an employee, consultant or otherwise, any employee of the Company or induce or attempt to induce any such employee to terminate or reduce the scope of such employee's engagement with the Company; and (ii) Consultant shall not, directly or indirectly, solicit or induce, or attempt to solicit or induce, any consultant, service provider, agent, distributor, customer or supplier of the Company to terminate, reduce or modify the scope of such person's engagement with the Company.

2.2 Consultant acknowledges that in view of Consultant's exposure to, and involvement in, the Company's sensitive and valuable proprietary information, property (including, intellectual property) and technologies, as well as its goodwill and business plans (the "***Company's Major Assets***"), the provisions of this Section 2 above are reasonable and necessary to legitimately protect the Company's Major Assets, and are being undertaken by Consultant as a condition to the engagement of Consultant by the Company. Consultant confirms that Consultant has carefully reviewed the provisions of this Section 2, fully understands the consequences thereof, and has assessed the respective advantages and disadvantages to Consultant of entering into this Undertaking and, specifically, Section 2 hereof.

3. Ownership of Inventions.

3.1 Consultant will notify and disclose in writing to the Company, or any persons designated by the Company from time to time, all information, improvements, inventions, formulae, processes, techniques, know-how and data, whether or not patentable or registerable under copyright or any similar laws, made or conceived or reduced to practice or learned by Consultant, either alone or jointly with others, in the performance of Consultant's engagement with the Company (all such information, improvements, inventions, formulae, processes, techniques, know- how, and data are hereinafter referred to as the "***Invention(s)***") immediately upon discovery, receipt or invention as applicable.

3.2 Consultant agrees that all the Inventions are, upon creation, considered Inventions of the Company, shall be the sole property of the Company and its assignees, and the Company and its assignees shall be the sole owner of all patents, copyrights, trade secret and all other rights of any kind or nature, including moral rights, in connection with such Inventions. Consultant hereby irrevocably and unconditionally assigns to the Company all the following with respect to any and all Inventions: (i) patents, patent applications, and patent rights, including any and all continuations or extensions thereof; (ii) rights associated with works of authorship, including copyrights and copyright applications, Moral Rights (as defined below) and mask work rights; (iii) rights relating to the protection of trade secrets and confidential information; (iv) design rights and industrial property rights; (v) any other proprietary rights relating to intangible property including trademarks, service marks and applications therefor, trade names and packaging and all goodwill associated with the same; and (vi) all rights to sue for any infringement of any of the foregoing rights and the right to all income, royalties, damages and payments with respect to any of the foregoing rights. Consultant also hereby forever waives and agrees never to assert any and all Moral Rights Consultant may have in or with respect to any Inventions, even after termination of engagement on behalf of the Company. "***Moral Rights***" means any right to claim authorship of a work, any right to object to any distortion or other modification of a work, and any similar right, existing under the law of any country in the world, or under any treaty.

3.3 Consultant further agrees to perform, during and after engagement, all acts deemed reasonably necessary or desirable by the Company to permit and assist it, at the Company's expense, in obtaining, maintaining, defending and enforcing the Inventions in any and all countries. Such acts may include, but are not limited to, execution of documents and assistance or cooperation in legal proceedings. Consultant hereby irrevocably designates and appoints the Company and its duly authorized officers and agents, as Consultant's agents and attorneys-in-fact to act for and on Consultant's behalf and instead of Consultant, to execute and file any documents and to do all other lawfully permitted acts to further the above purposes with the same legal force and effect as if executed by Consultant.

3.4 Consultant shall not be entitled, with respect to all of the above, to any monetary consideration or any other consideration except as explicitly set forth in the consulting agreement between Consultant and the Company. Without limitation of the foregoing, Consultant irrevocably confirms that the consideration explicitly set forth in this agreement is in lieu of any rights for compensation that may arise in connection with the Inventions under applicable law and waives any right to claim royalties or other consideration with respect to any Invention, including under Section 134 of the Israeli Patent Law - 1967. With respect to all of the above, any oral understanding, communication or agreement not memorialized in writing and duly signed by the Company shall be void.

4. <u>General.</u>

4.1 Consultant represents that the performance of all the terms of this Undertaking and Consultant's duties as a consultant of the Company does not and will not breach any invention assignment, proprietary information, non-compete, confidentiality or similar agreements with, or rules, regulations or policies of, any former employer or other party (including, without limitation, any academic institution or any entity related thereto). Consultant acknowledges that the Company is relying upon the truthfulness and accuracy of such representations in engaging Consultant.

4.2 Consultant acknowledges that the provisions of this Undertaking serve as an integral part of the terms of Consultant's engagement and reflect the reasonable requirements of the Company in order to protect its legitimate interests with respect to the subject matter hereof.

4.3 Consultant recognizes and acknowledges that in the event of a breach or threatened breach of this Undertaking by Consultant, the Company may suffer irreparable harm or damage and will, therefore, be entitled to injunctive relief to enforce this Undertaking (without limitation to any other remedy at law or in equity).

4.4 This Undertaking is governed by the laws of State of New York, USA (excluding its conflict of law principles), and the competent courts/tribunals of the State of New York shall have exclusive jurisdiction over any disputes arising hereunder

4.5 If any provision of this Undertaking is held by a court of competent jurisdiction to be unenforceable under applicable law, then such provision shall be excluded from this Undertaking and the remainder of this Undertaking shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms; *provided, however*, that in such event this Undertaking shall be interpreted so as to give effect, to the greatest extent consistent with and permitted by applicable law, to the meaning and intention of the excluded provision as determined by such court of competent jurisdiction. In addition, if any particular provision contained in this Undertaking shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be construed by limiting and reducing the scope of such provision so that the provision is enforceable to the fullest extent compatible with applicable law.

4.6 The provisions of this Undertaking shall continue and remain in full force and effect following the termination or expiration of the relationship between the Company and Consultant, for whatever reason. This Undertaking shall not serve in any manner so as to derogate from any of Consultant's obligations and liabilities under any applicable law.

4.7 This Undertaking constitutes the entire agreement between Consultant and the Company with respect to the subject matter hereof. No amendment of or waiver of, or modification of any obligation under this Undertaking will be enforceable unless set forth in a writing signed by the Company. No delay or failure to require performance of any provision of this Undertaking shall constitute a waiver of that provision as to that or any other instance. No waiver granted under this Undertaking as to any one provision herein shall constitute a subsequent waiver of such provision or of any other provision herein, nor shall it constitute the waiver of any performance other than the actual performance specifically waived.

4.8 This Undertaking, the rights of the Company hereunder, and the obligations of Consultant hereunder, will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives. The Company may assign any of its rights under this Undertaking. Consultant may not assign, whether voluntarily or by operation of law, any of her obligations under this Undertaking, except with the prior written consent of the Company.

IN WITNESS WHEREOF, the undersigned, has executed this Undertaking as of the date first mentioned above.

CONSULTANT

Printed Name: TERRY COELHO Signature: /s/Terry Coelho

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-3 File No. 333-275579) of Gamida Cell Ltd.,
(2) Registration Statement (Form S-3 File No. 333-269181) of Gamida Cell Ltd.,
(3) Registration Statement (Form S-3 File No. 333-253720) of Gamida Cell Ltd.,
(4) Registration Statement (Form S-3 File No. 333-259472) of Gamida Cell Ltd.,
(5) Registration Statement (Form S-8 File No. 333-271965) pertaining to the 2017 Share Incentive Plan of Gamida Cell Ltd.,
(6) Registration Statement (Form S-8 File No. 333-238115) pertaining to the 2017 Share Incentive Plan of Gamida Cell Ltd., and
(7) Registration Statement (Form S-8 File No. 333-228301) pertaining to the 2017 Share Incentive Plan of Gamida Cell Ltd.;

of our report (which contains an explanatory paragraph that describes conditions that raise substantial doubt about the Company's ability to continue as a going concern as described in Note 1c to the consolidated financial statements) dated March 27, 2024, with respect to the consolidated financial statements of Gamida Cell Ltd., included in this Annual Report (Form 10-K) of Gamida Cell Ltd. for the year ended December 31, 2023.

/s/ Kost Forer Gabbay & Kasierer
A Member of EY Global

Tel Aviv, Israel
March 27, 2024

Exhibit 31.1

CERTIFICATIONS

I, Abigail L. Jenkins, certify that:

1. I have reviewed this Annual Report on Form 10-K of Gamida Cell Ltd.;

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

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

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

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

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

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

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

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

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

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

Date: March 27, 2024

/s/ Abigail L. Jenkins
Chief Executive Officer
(*Principal Executive Officer*)

Exhibit 31.2

CERTIFICATIONS

I, Terry Coelho, certify that:

1. I have reviewed this Annual Report on Form 10-K of Gamida Cell Ltd.;

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

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

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

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

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

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

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

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

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

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

Date: March 27, 2024

/s/ Terry Coelho
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Abigail L. Jenkins, Chief Executive Officer of Gamida Cell Ltd. (the "Company"), and Terry Coelho, Chief Financial Officer of the Company, each hereby certifies that, to the best of his or her knowledge:

1. The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, to which this Certification is attached as Exhibit 32.1 (the "Annual Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

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

Dated: March 27, 2024

In Witness Whereof, the undersigned have set their hands hereto as of the 27th day of March, 2024.

/s/ Abigail L. Jenkins	/s/ Terry Coelho
Abigail L. Jenkins	Terry Coelho
Chief Executive Officer	Chief Financial Officer

"This certification accompanies the Form 10-K to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Gamida Cell Ltd. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-K), irrespective of any general incorporation language contained in such filing."

Exhibit 97.1

GAMIDA CELL LTD.

INCENTIVE COMPENSATION RECOUPMENT POLICY

1. INTRODUCTION

The Compensation and Talent Committee (the "***Compensation Committee***") of the Board of Directors (the "***Board***") of Gamida Cell Ltd., a corporation organized under the laws of Israel (the "***Company***"), has determined that it is in the best interests of the Company and its shareholders to adopt this Incentive Compensation Recoupment Policy (this "***Policy***") providing for the Company's recoupment of Recoverable Incentive Compensation that is received by Covered Officers of the Company under certain circumstances. Certain capitalized terms used in this Policy have the meanings given to such terms in Section 3 below.

This Policy is designed to comply with, and shall be interpreted to be consistent with, Section 10D of the Exchange Act, Rule 10D-1 promulgated thereunder ("***Rule 10D-1***") and Nasdaq Listing Rule 5608 (the "***Listing Standards***").

2. EFFECTIVE DATE

This Policy shall apply to all Incentive Compensation that is received by a Covered Officer on or after October 2, 2023 (the "***Effective Date***"). Incentive Compensation is deemed "***received***" in the Company's fiscal period in which the Financial Reporting Measure specified in the Incentive Compensation award is attained, even if the payment or grant of such Incentive Compensation occurs after the end of that period.

3. DEFINITIONS

"***Accounting Restatement***" means an accounting restatement that the Company is required to prepare due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

"***Accounting Restatement Date***" means the earlier to occur of (a) the date that the Board, a committee of the Board authorized to take such action, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (b) the date that a court, regulator or other legally authorized body directs the Company to prepare an Accounting Restatement.

"***Administrator***" means the Compensation Committee or, in the absence of such committee, the Board.

"***Code***" means the U.S. Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"***Covered Officer***" means each current and former Executive Officer.

"***Exchange***" means the Nasdaq Stock Market.

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

"***Executive Officer***" means the Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company. Executive officers of the Company's parent(s) or subsidiaries are deemed executive officers of the Company if they perform such policy-making functions for the Company. Policy-making function is not intended to include policy-making functions that are not significant. Identification of an executive officer for purposes of this Policy would include at a minimum executive officers identified pursuant to Item 401(b) of Regulation S-K promulgated under the Exchange Act.

"***Financial Reporting Measures***" means measures that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures derived wholly or in part from such measures, including Company stock price and total shareholder return ("***TSR***"). A measure need not be presented in the Company's financial statements or included in a filing with the SEC in order to be a Financial Reporting Measure.

"***Incentive Compensation***" means any compensation that is granted, earned or vested based wholly or in part upon the attainment of a Financial Reporting Measure.

"***Lookback Period***" means the three completed fiscal years immediately preceding the Accounting Restatement Date, as well as any transition period (resulting from a change in the Company's fiscal year) within or immediately following those three completed fiscal years (except that a transition period of at least nine months shall count as a completed fiscal year). Notwithstanding the foregoing, the Lookback Period shall not include fiscal years completed prior to the Effective Date.

"***Recoverable Incentive Compensation***" means Incentive Compensation received by a Covered Officer during the Lookback Period that exceeds the amount of Incentive Compensation that would have been received had such amount been determined based on the Accounting Restatement, computed without regard to any taxes paid (*i.e.*, on a gross basis without regarding to tax withholdings and other deductions). For any compensation plans or programs that take into account Incentive Compensation, the amount of Recoverable Incentive Compensation for purposes of this Policy shall include, without limitation, the amount contributed to any notional account based on Recoverable Incentive Compensation and any earnings to date on that notional amount. For any Incentive Compensation that is based on stock price or TSR, where the Recoverable Incentive Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the Administrator will determine the amount of Recoverable Incentive Compensation based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or TSR upon which the Incentive Compensation was received. The Company shall maintain documentation of the determination of that reasonable estimate and provide such documentation to the Exchange in accordance with the Listing Standards.

"***SEC***" means the U.S. Securities and Exchange Commission.

4. RECOUPMENT

(a) Applicability of Policy. This Policy applies to Incentive Compensation received by a Covered Officer (i) after beginning services as an Executive Officer, (ii) who served as an Executive Officer at any time during the performance period for such Incentive Compensation, (iii) while the Company had a class of securities listed on a national securities exchange or a national securities association, and (iv) during the Lookback Period.

(b) Recoupment Generally. Pursuant to the provisions of this Policy, if there is an Accounting Restatement, the Company must reasonably promptly recoup the full amount of the Recoverable Incentive Compensation, unless the conditions of one or more subsections of Section 4(c) of this Policy are met and the Compensation Committee, or, if such committee does not consist solely of independent directors, a majority of the independent directors serving on the Board, has made a determination that recoupment would be impracticable. Recoupment is required regardless of whether the Covered Officer engaged in any misconduct and regardless of fault, and the Company's obligation to recoup Recoverable Incentive Compensation is not dependent on whether or when any restated financial statements are filed.

(c) Impracticability of Recovery. Recoupment may be determined to be impracticable if, and only if:

(i) the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount of the applicable Recoverable Incentive Compensation; provided that, before concluding that it would be impracticable to recover any amount of Recoverable Incentive Compensation based on expense of enforcement, the Company shall make a reasonable attempt to recover such Recoverable Incentive Compensation, document such reasonable attempt(s) to recover, and provide that documentation to the Exchange in accordance with the Listing Standards;

(ii) recoupment of the applicable Recoverable Incentive Compensation would violate home country law where that law was adopted prior to November 28, 2022; provided that, before concluding that it would be impracticable to recover any amount of Recoverable Incentive Compensation based on violation of home country law, the Company shall obtain an opinion of home country counsel, acceptable to the Exchange, that recoupment would result in such a violation, and shall provide such opinion to the Exchange in accordance with the Listing Standards; or

(iii) recoupment of the applicable Recoverable Incentive Compensation would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Code Section 401(a)(13) or Code Section 411(a) and regulations thereunder.

(d) Sources of Recoupment. To the extent permitted by applicable law, the Administrator shall, in its sole discretion, determine the timing and method for recouping Recoverable Incentive Compensation hereunder, provided that such recoupment is undertaken reasonably promptly. The Administrator may, in its discretion, seek recoupment from a Covered Officer from any of the following sources or a combination thereof, whether the applicable compensation was approved, awarded, granted, payable or paid to the Covered Officer prior to, on or after the Effective Date: (i) direct repayment of Recoverable Incentive Compensation previously paid to the Covered Officer; (ii) cancelling prior cash or equity-based awards (whether vested or unvested and whether paid or unpaid); (iii) cancelling or offsetting against any planned future cash or equity-based awards; (iv) forfeiture of deferred compensation, subject to compliance with Code Section 409A; and (v) any other method authorized by applicable law or contract. Subject to compliance with any applicable law, the Administrator may effectuate recoupment under this Policy from any amount otherwise payable to the Covered Officer, including amounts payable to such individual under any otherwise applicable Company plan or program, *e.g.*, base salary, bonuses or commissions and compensation previously deferred by the Covered Officer. The Administrator need not utilize the same method of recovery for all Covered Officers or with respect to all types of Recoverable Incentive Compensation.

(e) No Indemnification of Covered Officers. Notwithstanding any indemnification agreement, applicable insurance policy or any other agreement or provision of the Company's certificate of incorporation or bylaws to the contrary, no Covered Officer shall be entitled to indemnification or advancement of expenses in connection with any enforcement of this Policy by the Company, including paying or reimbursing such Covered Officer for insurance premiums to cover potential obligations to the Company under this Policy.

(f) Indemnification of Administrator. Any members of the Administrator, and any other members of the Board who assist in the administration of this Policy, shall not be personally liable for any action, determination or interpretation made with respect to this Policy and shall be indemnified by the Company to the fullest extent under applicable law and Company policy with respect to any such action, determination or interpretation. The foregoing sentence shall not limit any other rights to indemnification of the members of the Board under applicable law or Company policy.

(g) No "Good Reason" for Covered Officers. Any action by the Company to recoup or any recoupment of Recoverable Incentive Compensation under this Policy from a Covered Officer shall not be deemed (i) "good reason" for resignation or to serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to such Covered Officer, or (ii) to constitute a breach of a contract or other arrangement to which such Covered Officer is party.

5. Administration

Except as specifically set forth herein, this Policy shall be administered by the Administrator. The Administrator shall have full and final authority to make any and all determinations required under this Policy. Any determination by the Administrator with respect to this Policy shall be final, conclusive and binding on all interested parties and need not be uniform with respect to each individual covered by this Policy. In carrying out the administration of this Policy, the Administrator is authorized and directed to consult with the full Board or such other committees of the Board as may be necessary or appropriate as to matters within the scope of such other committee's responsibility and authority. Subject to applicable law, the Administrator may authorize and empower any officer or employee of the Company to take any and all actions that the Administrator, in its sole discretion, deems necessary or appropriate to carry out the purpose and intent of this Policy (other than with respect to any recovery under this Policy involving such officer or employee).

6. Severability

If any provision of this Policy or the application of any such provision to a Covered Officer shall be adjudicated to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Policy, and the invalid, illegal or unenforceable provisions shall be deemed amended to the minimum extent necessary to render any such provision or application enforceable.

7. No Impairment of Other Remedies

Nothing contained in this Policy, and no recoupment or recovery as contemplated herein, shall limit any claims, damages or other legal remedies the Company or any of its affiliates may have against a Covered Officer arising out of or resulting from any actions or omissions by the Covered Officer. This Policy does not preclude the Company from taking any other action to enforce a Covered Officer's obligations to the Company, including, without limitation, termination of employment and/or institution of civil proceedings. This Policy is in addition to the requirements of Section 304 of the Sarbanes-Oxley Act of 2002 ("**SOX 304**") that are applicable to the Company's Chief Executive Officer and Chief Financial Officer and to any other compensation recoupment policy and/or similar provisions in any employment, equity plan, equity award, or other individual agreement, to which the Company is a party or which the Company has adopted or may adopt and maintain from time to time; provided, however, that compensation recouped pursuant to this policy shall not be duplicative of compensation recouped pursuant to SOX 304 or any such compensation recoupment policy and/or similar provisions in any such employment, equity plan, equity award, or other individual agreement except as may be required by law.

8. Amendment; Termination

The Administrator may amend, terminate or replace this Policy or any portion of this Policy at any time and from time to time in its sole discretion. The Administrator shall amend this Policy as it deems necessary to comply with applicable law or any Listing Standard.

9. Successors

This Policy shall be binding and enforceable against all Covered Officers and, to the extent required by Rule 10D-1 and/or the applicable Listing Standards, their beneficiaries, heirs, executors, administrators or other legal representatives.

10. Required Filings

The Company shall make any disclosures and filings with respect to this Policy that are required by law, including as required by the SEC.

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GAMIDA CELL LTD.

INCENTIVE COMPENSATION RECOUPMENT POLICY

FORM OF EXECUTIVE ACKNOWLEDGMENT

I, the undersigned, agree and acknowledge that I am bound by, and subject to, the Gamida Cell Ltd. Incentive Compensation Recoupment Policy, as may be amended, restated, supplemented or otherwise modified from time to time (the "***Policy***"). In the event of any inconsistency between the Policy and the terms of any employment agreement, offer letter or other individual agreement with Gamida Cell Ltd. (the "***Company***") to which I am a party, or the terms of any compensation plan, program or agreement, whether or not written, under which any compensation has been granted, awarded, earned or paid to me, the terms of the Policy shall govern.

In the event that the Administrator (as defined in the Policy) determines that any compensation granted, awarded, earned or paid to me must be forfeited or reimbursed to the Company pursuant to the Policy, I will promptly take any action necessary to effectuate such forfeiture and/or reimbursement. I further agree and acknowledge that I am not entitled to indemnification, and hereby waive any right to advancement of expenses, in connection with any enforcement of the Policy by the Company.

Agreed and Acknowledged:

_____

Name: _____

Title: _____

Date: _____